



**JOHN  
KOZY**

**COLLECTED  
WORKS**



# JOHN KOZY

## COLLECTED WORKS

*on*

- I. ECONOMY & MORALITY
- II. FREEDOM & DEMOCRACY
- III. HEALTHCARE &  
EDUCATION
- IV. LAW & JUSTICE
- V. WAR & EMPIRE

edited by  
Alexandre de Robaulx de Beaurieux

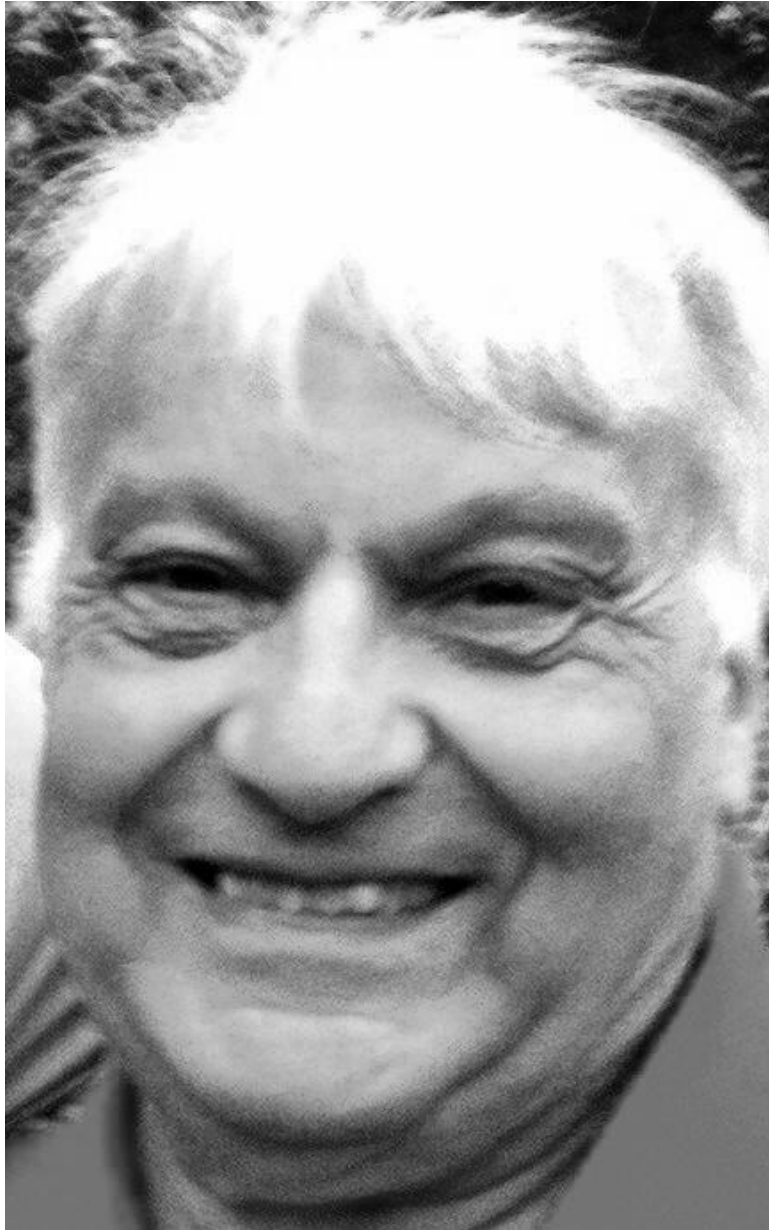
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John Kozy, Ph.D.

*This work is dedicated to my wife, Giane Grace Lucky, who has tolerated this walking and talking iconoclast who never heard a conventional truth he could not doubt.*

John Kozy is a retired professor of philosophy and logic who blogs on social, political, and economic issues. After serving in the U.S. Army during the Korean War, he spent 20 years as a university professor and another 20 years working as a writer. He has published a textbook in formal logic commercially, in academic journals and a small number of commercial magazines, and has written a number of guest editorials for newspapers.

# TABLE OF CONTENTS

FOREWORD BY THE EDITOR

## I. ECONOMY & MORALITY

A BANKERS' ECONOMY

A LOOK AT THE MARKET SYSTEM OF ECONOMICS

A MORALITY OF CONVENIENCE

A NATION OF DUMMIES

A ROOSTER'S CROW

A WORLD OF "THIEVING FINANCIERS": VENDOR  
ARITHMETIC, UNDERHANDED CAPITALISM

ABSTRACTIONS VERSUS THE "REAL WORLD": ECONOMIC  
MODELS AND THE APOLOGETICS OF GREED

ADAM SMITH'S BRUTISH WORLD

ALL TECHNICAL BABEL ISN'T TECHNICAL

AMERICA ON THE DULLING EDGE



AMERICA'S DESCENT TO DEPRAVITY

AMERICA'S MORAL DECLINE

AMERICAN BUSINESS-WRINGING THE GOOSE'S NECK

AN IMMORAL ECONOMIC SYSTEM

BILL GATES-KNIGHT IN TARNISHED ARMOR

BRAIN-BOUND ORTHODOX THINKING

CAN AMERICA BE CHANGED?

CAN AMERICA BE FIXED?

CAPITALISM SNUFFS OUT THE AGE OF ENLIGHTENMENT'S  
CANDLE

CHEATING IN WORLD MARKETS--THE FALLACY IN  
GLOBALIZATION

CHRISTIANS WITHOUT CHRIST HAVE SUCCEEDED AGAIN

CONTINUOUS INCOME PRICING

CREATIVE DESTRUCTION AND MORE ECONOMIC  
NONSENSE

DANGER AT THE BOTTOM

DEMOGRAPHICS AND PROSPERITY-HOKUM!

DEREGULATION AND AMERICAN BUSINESS-AN ENDEAVOR JUSTIFIED BY A LIE

DEREGULATING THE ELECTRIC POWER INDUSTRY

DESPOTISM, NEOLIBERALISM AND THE "CHILEAN MIRACLE"

DICK LAMM'S EIGHT WAYS TO DESTROY THE AMERICAN DREAM

DISINTEGRATING ECONOMIC RECOVERY

DISMAL SCIENCE OR JUST PLAIN STUPID PSEUDOSCIENCE

DO CULTURAL CONSERVATIVES ESTABLISH THE NORM IN AMERICA?

DOES TAXATION FAVORABLE TO BUSINESS INHIBIT PROSPERITY?

DUMB CLAIMS THAT GO UNQUESTIONED

ECONOMICS, GOALS, AND MEASURES

ECONOMIC AND SOCIAL CRISIS IN AMERICA: BURGLARIOUS STIMULUS

ECONOMIC GLOBALIZATION AND FREE TRADE

ECONOMIC MAN AND THE VIRGINIA WHITE TAILED  
DEER. THE ANALOGY BETWEEN NATURAL SPECIES AND  
THE HUMAN RACE

ECONOMICS AND ARMCHAIR PSYCHOLOGY  
ECONOMISTS WRITE THE DAMNEDEST STUFF

EMPLOYEE BLOGGING AND FUNDAMENTAL FREEDOMS

EXPENDABLE PEOPLE - ECONOMICS, A "MURDEROUS  
SCIENCE"

FIXING SOCIAL SECURITY WITH SOCIAL SECURITY IRAS

"FREE MARKET" CAPITALISM: AN IDEOLOGY IS A LIE  
WHICH WILL NOT DIE

GOOD CREDIT? GOOD FOR WHOM?

GLOBAL CRISIS: IS ECONOMICS RATIONAL

GLOBALIZATION AND IMPORTS FROM CHINA

HOW THE ECONOMY WORKS: THE NECESSITY OF CRIME

HOW THE GOVERNMENT CHEATS ORDINARY TAXPAYERS

HUMANITY: THE ABLE BUT UNWILLING SPECIES

HUMANITY AT THE CROSSROADS - BUSINESS AND JOBS

ILLEGAL IMMIGRATION-THE OVERLOOKED SOLUTION

INCOME, IFCOME, AND WISHCOME-INVESTING IN THE MARKET

INVERTED ECONOMIC POLICY  
IS A MARKET ECONOMY REALLY AN EFFICIENT WAY OF  
ALLOCATING RESOURCES?

IS AMERICA JOINING THE THIRD WORLD?

IS ADAM SMITH'S INVISIBLE HAND A PICKPOCKET?

IS OFFSHORING TRADE?

JUNK WRITING-MARTIN FELDSTEIN ON THE DOLLAR'S  
VALUE

KRUGMAN, RICARDO'S DIFFICULT IDEA, AND  
GLOBALIZATION

LABOR IN AMERICA

LET THE BUYER BEWARE

LINGUISTIC NONSENSE AND LIBERAL ECONOMICS

LOW WAGE FOREIGN AND ILLEGAL IMMIGRANT LABOR

LYING ABOUT SOCIAL SECURITY

MAKING PROMISES THAT CANNOT BE KEPT

MILTON FRIEDMAN IN MEMORIAM

MODELS AND PSEUDO-MODELS: ECONOMISTS' ARTIFICE

MONEY AND THE TRUTH ABOUT AMERICA

MORALITY AND AMERICA'S MORALITY MOVEMENT

MORALITY AND ECONOMICS

MORALITY IN AMERICA

MORE DAMNEDEST STUFF ECONOMISTS SAY

MORE ON EUPHEMISM-THE VICTORY OF APPEARANCE  
OVER REALITY

MORE ON THINK TANKS

MORTGAGE ANYONE?

MURKY ECONOMICS - COMPARATIVE ADVANTAGE &  
FREE TRADE THEORY

NO, GLOBALIZATION DOES NOT LIFT ALL BOATS

NUMBERS THAT LIE

OFFSHORING-BOON OR BANE?

OFFSHORING-GOOD OR BAD

ONE NATION UNDER GOD AND IN GOD WE TRUST

PITY THE POOR ECONOMISTS

PUBLICLY POSTING THE TEN COMMANDMENTS

RELIGION AND MORALITY

RELIGION AND THE AMERICAN RELIGIOUS RIGHT

ROBBER BARON OF THE TWENTY-FIRST CENTURY

SAVING THAT ISN'T

SCIENCE, IDEOLOGY, AND ECONOMICS

SEVEN DEADLY SINS CONFRONTING THE CONSUMER

SPECIE, SCRIPT, AND WAR: THE CONTRADICTIONARY  
PRACTICES OF THE GLOBAL ECONOMIC SYSTEM

SPECIOUS ECONO-THINK

SUFFERING AND JOY

TAXES NO MATTER WHAT THEY'RE CALLED

"TALKING TRASH": WAR, ECONOMIC CRISIS AND THE LIES  
OF HISTORY

THE COLLAPSING WESTERN WAY OF LIFE

THE ECONOMIC CRISIS: NO, THIS WILL NOT BE A NORMAL  
CYCLICAL RECOVERY

THE ECONOMY-BUSTED BOON

THE FLAW OF SUPPLY AND DEMAND

THE FOOLISH PROPERTY TAX

THE INSURANCE INDUSTRY'S USE OF CREDIT SCORING

THE IRRELEVANCE OF ECONOMISTS

THE LONG DECLINE OF THE AMERICAN ECONOMY

THE MYTH OF BUSINESS-FRIENDLY TAXES

THE MYTH OF THE RATIONAL VOTER

THE PERILS OF OUTSOURCING

THE QUEST FOR HUMAN PROGRESS

THE SHAMANS AMONG US - A WORLD IN PERPETUAL  
CONFLICT

THE SHORT, MISERABLE LIFE OF AMERICAN PROSPERITY

THE TRIUMPH OF CAPITALISM: JOBLESS NATIONS

THE TRIUMPH OF EVIL

THE TRUTH ABOUT TAXES

THE UNRECOGNIZED CONSEQUENCES OF EUPHEMISM

THE USE OF CREDIT SCORING BY INSURERS

THINK TANKS OR STINK TANKS?

THREE QUOTATIONS THAT EPITOMIZE AMERICA'S FAILINGS

TOM DELAY AND SCALAWAG POLITICS

TRADE IS NOT MEANT TO BOOST ECONOMIES

TWIDDLE-TWADDLE FROM THE CA[N]TO RUMPSTITUTE

WESTERN CIVILIZATION AND CLASSICAL ECONOMICS:  
THE IMMORALITY OF AUSTERITY

WHAT DOES INVESTMENT ADVICE AMOUNT TO?

WHAT IF ANYTHING DOES THE STOCK MARKET  
MEASURE?

WHAT MARKET HISTORY TEACHES ABOUT PRIVATE  
INVESTMENT ACCOUNTS

WHAT'S WITH OVERVALUED STOCKS?

WHO SHOULD PAY FOR HIGHWAYS?

WHY AMERICANS DON'T SAVE

WRONG-HEADED IDEAS

YES WE CAN OR NO WE CAN'T?



## II. FREEDOM & DEMOCRACY

20-20'S JOHN FOSSIL (SIC)

ABC'S NIGHTLIE

A NEW LOOK AT LINGUISTIC ANALYSIS

A WONDERFUL WORLD INDEED!

ADVICE FOR THE TEA PARTY

AMERICA - AN ORDINARY NATION RULED BY GREEDY,  
UNJUST, AND INHUMANE PEOPLE

AMERICA'S DEMOCRACY IN CRISIS: IS "EXECUTIVE  
PRIVILEGE" UNDEMOCRATIC?

ARE AMERICANS A RELIGIOUS PEOPLE? EMPHATICALLY  
YES!

ARE THERE REALLY ANY REASONS TO CELEBRATE?

AS WESTERN CIVILIZATION LIES DYING

BLUE DOGS, YELLOW DOGS, AND OTHER MONGRELS IN  
THE KONGRESSIONAL KENNEL

CIVILIZATION AT A STANDSTILL

COMMENTING ON COMMENTS

CONFLICT, HATRED, AND ANGER-THE PRICE OF INEQUALITY

DEMENTED DEMOCRACY

DEMOCRACY IN AMERICA

DID THE AMERICAN CIVIL WAR DEAD DIE IN VAIN?

“DISEASES OF FACTION” - REAL DEMOCRACY ON ITS DEATHBED

DUMBOCRACY’S DEMISE: HOW “FAKE DEMOCRACY” DESTROYS “REAL DEMOCRACY”

EMPLOYEE BLOGGING AND FUNDAMENTAL FREEDOMS

EXACTLY WHAT DOES DEFENDING OUR FREEDOMS MEAN?

FORKED TONGUES AND OTHER AMERICAN CHARACTERISTICS

GOVERNMENTS EXIST TO FURTHER THE INTERESTS OF “FAVORED GROUPS”

HAVE YOU EVER WONDERED WHY PEOPLE RUN FOR CONGRESS?

HURRICANE DAMAGE, SHODDY WORK, AND THE LEVEES OF NEW ORLEANS

HUTCHINSON'S WORRY IS LOSING CONGRESS

LIBERTY'S EASY SLIDE INTO TYRANNY

MICHAEL JACKSON MEMORIAL DAY

MYTHICAL TEXAS HEROISM-AT THE FOUNDING AND  
TODAY

SO NOW IT'S THE NATIONAL ANTHEM

POLITICAL LINGUISTICS IN AMERICA

PROPAGANDA AND THE POLITICAL RIGHT

THE ARGUMENTATIVE USE OF RHETORICAL FIGURES

THE DISFUNCTIONAL AMERICAN GOVERNMENT

THE DISINTEGRATION OF FRACTURED DEMOCRACIES

THE MEDIA IN AMERICA - SELLING VIEWS, CALLING IT  
NEWS

THE NEW TYRANNY

THE PSYCHOPATHIC CRIMINAL ENTERPRISE CALLED  
AMERICA

THE REAL PROBLEMS WITH WATER CONSERVATION

THE SELF-DESTRUCTION OF METAPHYSICS - A  
JUSTIFICATION OF LIVING UNDER THE INFLUENCE OF  
IDEALS

USA-CHRISTIAN OR NOT?

VOLUNTARISM A WAY TO ASK CANDIDATES TO DISPLAY  
ABILITIES

WHOSE COUNTRY IS IT ANYWAY? A POLITICAL-  
ECONOMIC OLIGARCHY HAS TAKEN OVER THE UNITED  
STATES OF AMERICA

YEARNING FOR THE PAST - IS HUMAN SOCIETY  
REGRESSING

YOU'RE RIGHT, MR. ARMEY, YOU STINK

# III. HEALTHCARE & EDUCATION

AFICIONADOS OF OSTENTATION

AMERICAN MADRASSAS

BALDERDASHING EDUCATION BASHING

BALLROOM DANCING - FINE ART OR SPORT

CORPULENT COUNTRY: OBESITY IN THE USA

CORRUPTION IN AMERICAN INSTITUTIONS,  
HEALTHCARE, AND OUR SYSTEM OF HIGHER EDUCATION

CRISIS OF AMERICA'S HEALTHCARE SYSTEM

DUMB, DUMBER, AND DUMBEST IN HIGHER EDUCATION

EDUCATION AND FEDERAL INTERVENTION

EDUCATIONAL REFORM OR INEPTITUDE

FIXING PUBLIC EDUCATION

FOR THE LOVE OF SPORTS

FRAUDULENT EDUCATIONAL REFORM IN AMERICA

HE SAYS, SHE SAYS JOURNALISM

HOW NOT TO CURE HEALTH CARE

HOW NOT TO CURE HEALTH CARE-PART 2

IGNORANCE IN AMERICA

ILLEGAL DRUGS AND IMMIGRANTS-TWO PEAS IN ONE  
POD

INSURANCE REFORM

INTELLECTUAL DISHONESTY-BANE OF THE AMERICAN  
INTELLECT

IS PERFECT RESEARCH POSSIBLE?

JOURNALISTS FAIL WHEN REPORTING ON MEDICAL CARE

JUSTIFYING TUITION HIKES

KNOWLEDGE, TRUTH AND HUMAN ACTION: AMERICA  
HITS THE WALL

LEARNING WITHOUT QUESTIONING IN AMERICA: THE  
SUNDAY SCHOOL SYNDROME

LEFTISH PROFESSORS

LET'S NOT GET ALL MIXED UP

LET SCHOLAR-ATHLETES QUIT THE CHARADE

LYING ABOUT LYING ABOUT CLIMATE CHANGE

MEDICAL INSURANCE-EXPENSIVE, INADEQUATE, AND UNAVAILABLE-A TOTAL FRAUD

MEDICAL SAVINGS PLANS, PORTABLE HEALTH INSURANCE, AND OTHER IDIOCIES

MORE ON JOURNALISTS FAIL WHEN REPORTING ON MEDICAL CARE

NOT ALL THE NEWS THAT'S FIT TO PRINT

ON INTELLIGENT DESIGN

ON THE COSTS OF MEDICAL CARE

OPEN LETTER TO THE MESQUITE INDEPENDENT SCHOOL DISTRICT

OVERQUALIFIED

PRIVATIZING SOCIAL SECURITY

SCHOOLS NEED RELIGIOUS STUDY, NOT PRAYER

STUDIES FROM THE REPUBLICAN STUDY COMMITTEE

THE AMERICAN HEALTHCARE SYSTEM-A DISASTER IN THE MAKING

THE CRISIS OF EDUCATION IN AMERICA - "HOW TO  
BECOME A SERF"

THE HISTORY OF KNOWLEDGE: DARKNESS IN THE  
ACADEMY

THE LOOK

THE TRUTH ABOUT ENTITLEMENTS

THREE LESSONS IN AMERICAN STUDIES THAT AMERICA'S  
POLITICIANS FAILED TO LEARN

TRADING KETCHUP FOR A VEGETABLE AND FOOD  
STAMPS FOR PRESCRIPTION DRUGS

UNEDUCATING AMERICAN EDUCATIONAL INSTITUTIONS

WAR ON THE MIDDLE CLASS

WHAT EVIL LURKS IN THE HEARTS OF MEN



# IV. LAW & JUSTICE

A NATION OF LAWS

AMERICA-A LAWLESS NATION OF LAWS

AMERICA'S NEXT FAILURE: THE POLICE STATE

AN END RUN AROUND THE CONSTITUTION

AN OPEN LETTER TO JOHN CORNYN AND THE CONGRESS

AN OPEN LETTER TO SENATOR JOHN CORNYN AND ALL  
OTHER MEMBERS OF CONGRESS

ARE SETTLED CLASS ACTION SUITS SCAMS?

CAMPAIGN FINANCE REFORM AND THE FIRST  
AMENDMENT

CAPITALISM AS DISEASE: SPREADING GOVERNMENTAL  
TYRANNY AND GUN VIOLENCE

CAPPING JURY AWARDS IN CIVIL CASES

CONGRESSIONAL CORRUPTION

FOOLS' RULES

HAS THE CONSTITUTION BEEN SUBVERTED?

HOW THE COURTS ABET SOCIETAL CONFLICT

ILLEGAL IMMIGRATION AND OTHER INTRACTABLE  
SOCIAL PROBLEMS

INDICTING THE SUPREME COURT

INSTRUMENTS OF REPRESSION: NATION OF LAWS, THE  
IMMORALITY OF TODAY'S GOVERNMENT

INTELLECTUAL PROPERTY, SOFTWARE, AND PIRACY

LAWMAKERS BILL TAXPAYERS FOR TVS, CAMERAS, LEXUS

"LEGALIZED INJUSTICE": THE US JUDICIAL SYSTEM  
"LEGALIZES" POLITICAL CORRUPTION AND FINANCIAL  
FRAUD

NATION OF LAWS AND LAWLESSNESS: AMERICA IS  
POLICING ITSELF AND THE WORLD

PITH OR MYTH? WHO ARE WE ANYWAY?

POISONOUS VERACITY (SWAT THAT LIE!)

SENATORIAL THEATER OF THE ABSURD

SOLVING THE PROBLEM OF IDENTITY THEFT

THE AMERICAN LEGAL SYSTEM

THE AMERICAN LEGAL SYSTEM - A BALL GAME PLAYED BY LAWYERS AND JURISTS

THE CONSTITUTION NEVER HAD A CHANCE

THE LEGAL SYSTEM'S ROLE IN THE DISINTEGRATION OF AMERICA

THE MYTH OF BUSINESS FRIENDLY LEGISLATION

THE MYTHICAL UNITED STATES OF AMERICA - RUSHING INTO BACKWARDNESS

THE SUPREME COURT, STRICT CONSTRUCTION, THE NRA, AND GUN CONTROL

THE SUPREME COURT, THE CONSTITUTION AND THE FIRST AMENDMENT

THE SUPREME COURT'S "MAKE BELIEVE LAW"

THE US SUPREME COURT AND "THE RULE OF FLAW"

VIOLENCE: THE AMERICAN WAY OF LIFE

VOTING IN IGNORANCE

WHAT SHOULD BE DONE WITH ILLEGAL IMMIGRANTS?

WHY THE CURRENT PROPOSALS FOR IMMIGRATION REFORM WON'T WORK

# V. WAR & EMPIRE

300--THE MOVIE

A HISTORICAL VIEW OF TERRORISM NOT APPLICABLE

A PRETEXT FOR WAR

A REVOLTING WORLD

AMERICA: AN ORDINARY NATION RULED BY GREEDY,  
UNJUST, AND INHUMANE PEOPLE

AMERICA-BEARING THE ONUS OF WESTERN  
CIVILIZATION'S SINS

AMERICA'S DEBT TO THE BRITISH FOR THE WAR ON  
TERROR

APPREHENDING OSAMA BIN LADEN

BLUNDER AND PLUNDER: THE HISTORY OF WAR

CONSERVATIVES LEADING THE WORLD HEADLONG INTO  
THE 18TH CENTURY

DIANE SAWYER AND AHMADINEJAD

DO HISTORIANS CONTRIBUTE TO THE DECLINE OF  
NATIONS?

EVERYWHERE ARMS RACES

HOW TO MAKE SOLVING PROBLEMS IMPOSSIBLE

ISRAEL - JUST ANOTHER HAPLESS BRITISH COLONY

JOURNALISM AND WARS--WORLD WAR II AND IRAQ

JUSTIFYING THE WAR IN IRAQ

KILLER COUNTRY

KILLING YOUR OWN PEOPLE

LYING IN AMERICA

MOTHER RUSSIA - AN ELUSIVE PRIZE

NEO-NAPOLEONIC WAR

NOBEL? THAT'S NO PRIZE

ON OUR NATIONAL INTEREST

PROMOTING DEMOCRACY TO MAKE THE WORLD SAFER

RETRIBUTIVE WARFARE: MISTAKING KILLING AND  
REVENGE FOR JUSTICE

SANCTIONS, WARS, AND ASSASSINATIONS

THE BAFFLING WAR ON TERROR

THE CHENEY GENE

THE HUMAN AVERSION TO DOING THE RIGHT THING

THE JUDAS RACE: AMERICA'S WARS AND ORGANIZED RELIGION

"THE MENTALITY OF BRUTALITY": ISLAMIC STATE BEHEADINGS AND "CIVILIZED BARBARITY"

THE OMNICIDAL SPECIES

THE REAL NEW WORLD ORDER - BANKERS TAKING OVER THE WORLD

THE TWENTY-FIRST CENTURY-A WORLD AT WAR WITH ITSELF

THE UNSPOKEN PERIL OF ECONOMIC GLOBALIZATION

THE UTTER STUPIDITY OF BELIEF

TREACHEROUS TREATIES: AMERICAN IMPERIALISM, WORLD GOVERNMENT AND THE BILDERBERGERS

VETERANS DAY-A PARADIGM FOR HOW MUCH WE VALUE LIFE

WESTERN CIVILIZATION IS DOOMED

WHAT INTELLIGENCE?

WHY THE WARS CAN'T BE WON

WILL MANKIND SUFFER THE FATE IT DESERVES?

WINNING THE WARS IN AFGHANISTAN AND IRAQ

## FOREWORD BY THE EDITOR

*"I don't know what is going on. I can only listen to what is said and ask myself whether or not it makes any sense."*

*-Prof. John Kozy, Progressive Radio News Hour, 10/08/2014*

Humans are irrational beings. Despite millions of years of evolution in brain capacity, language, scripture and science, humans do not act in a rational way. The only explanation is that they do not think in an associated manner. They do think, but in a way one could call 'insular rationality'. It is a mindset with a limited set of variable parameters - enough to walk along the beach, trying to find a way out, but not enough to realize one lives in the midst of an ocean. People on that beach look back, left, right and in front of them, while following the erroneous belief of being on the right track. Yet it does not occur to them to ask the single most crucial question: does it make any sense?

There is a multitude of supposedly self-evident gear every hiker is said to need, accept and honor along his journey. The default justification is that every other hiker does the same, as did their predecessors, and what most people do must a priori be the right thing.

But what if following the beach will never lead to another island, even less to the mainland? What if like in Alice in Wonderland, it takes all the running only to stand still? What if what most people do is wrong? What if all the guideposts point toward the beach?

The only solution out of this dilemma is not to play the game, and to start critical thinking. It is, like Prof. John Kozy said, to think about if whether or not things do make any sense.



Here are some questions. How can population rise and the environment be saved at the same time? How can a state have debt while having the power to coin money? Why are people afraid of a warmer climate in an interglacial? Why do people trade freedom for security, lose both and gain oppression at home and destruction abroad? Why do people carry spy devices in their pockets? Why do people think they can solve the problems of technology by more technology? If trade is voluntary, why are there free trade agreements? How does god cope with other gods?

The answer how people accept contradictions is simple. It is because of insular rationality. Challenging supposedly self-evident actions, institutions and ideas by comparing them against one another on a global and historic level is the key to understand the past, the present and the future.

Reading through this collection of Prof. John Kozy works, the reader can view the world through his eyes, question what nobody else questions and gain a systemic understanding of the world - leave the beach.

Alexandre de Robaulx de Beaurieux

# **I. ECONOMY & MORALITY**

## A BANKERS' ECONOMY

William Cohan claims that "Banking has always been an elaborate confidence game. . . ." And the history of central banking provides ample evidence that his claim is true. Six decades ago, the U.S. Treasury wanted to shut down the Bank for International Settlements (BIS), saying it helped finance the Nazis during World War II. It handled gold looted by the Nazis and transferred Czechoslovakian gold to Germany after the Nazi invasion in 1939 during which Czech officials were held at gunpoint as they placed the order. U.S. Treasury Secretary Henry Morgenthau tried to shut down the bank at the 1944 Bretton Woods conference. Today, Jean-Claude Trichet and Ben S. Bernanke are transforming the organization into one of the world's most powerful networking clubs.

Central banking developed into a far-reaching plan which has been described by Georgetown Professor Carroll Quigley like this: "to create a world system of financial control in private hands able to dominate the political system of each country and the economy of the world as a whole. This system was to be controlled in a feudalist fashion by the central banks of the world acting in concert, by secret agreements arrived at in frequent meetings and conferences. The apex of the system was to be the Bank for International Settlements in Basel, Switzerland, a private bank owned and controlled by the world's central banks which were themselves private corporations. Each central bank . . . sought to dominate its government by its ability to control Treasury loans, to manipulate foreign exchanges, to influence the levels of economic activity in the country, and to influence cooperative politicians by subsequent economic rewards in the business world."

Several short-lived attempts to impose the central banking scheme on the United States were defeated by the patriotic efforts of Presidents Madison, Jefferson, Jackson, Van Buren and Lincoln. But with the passage of the Federal Reserve Act of 1913, America yielded.

Few Americans know that the FED is a privately-held institution owned, operated, and managed by the nation's banks. Its major concern, as is true of all private institutions, is the welfare of its owners. FED publications rarely inform readers of the FED's ownership. To do so would expose its "elaborate confidence game." This confidence game is inherent in remarks made by Richard W. Fisher, President and CEO of the Federal Reserve Bank of Dallas in an interview published in the Dallas Morning News.

Mr. Fisher's biography is revealing. He attended the United States Naval Academy in Annapolis, but apparently didn't graduate, before transferring to Harvard University where he earned a bachelor's degree in economics. He then engaged in Latin American studies at Oxford University, again apparently without acquiring a degree, and then earned an M.B.A. at Stanford University. He joined Brown Brothers, Harriman and Company, a private banking firm, where he was assistant to former Undersecretary of the Treasury Robert V Roosa. He then served as Special Assistant to Secretary W. Michael Blumenthal at the United States Department of the Treasury before returning to Brown Brothers and established and managed the bank's Dallas-based Texas operations. In 1987, Fisher created Fisher Capital Management, and a separate funds-management firm, Fisher Ewing Partners, managing both firms until 1997. In 1993, he was a candidate for the U.S. Senate but took fifth place. The following year, he was a candidate for the same U.S. Senate seat but again lost. From 1997 to 2001, he served as Deputy U.S. Trade

Representative, serving under U.S. Trade Representative Charlene Barshefsky, where he was responsible for the implementation of NAFTA, and negotiating a variety of trade agreements, including the bilateral accords admitting both the People's Republic of China and Taiwan to the World Trade Organization. From 2001 to 2005, he served as Vice Chairman of Kissinger McLarty Associates, a strategic advisory firm headed by former U.S. Secretary of State Henry Kissinger and former White House Chief of Staff Mack McLarty. He left the firm in April, 2005, when he was appointed President of the Federal Reserve Bank of Dallas.

Although his political connections are obviously very extensive, he could not get elected and now has the non-responsible power to cast his vote on issues of crucial importance concerning the American economy. Since the FED never has to take responsibility for its actions, being a member of the FED's Board of Directors is a cushy, high-paid job in which he can be an advocate for his favorite special interests banking, global finance, and "free trade." As such, he fits in perfectly with Professor Quigley's description cited above.

In his interview, Mr. Fisher reveals his lack of critical reasoning ability, inhumanistic biases, and spotty education. He says, for instance, that "Capitalism wasn't designed to be stable, and we forget that too often. . . . That's just the price we pay for a system that works better than anyone else's."

Well, I don't know who he thinks "designed" Capitalism, but if it was Adam Smith, I'd like Mr. Fisher to cite any passage in the *Wealth of Nations* that states or even implies that view. Given that Mr. Fisher's education in economics was acquired as an undergraduate, I doubt that the *Wealth of Nations* was even on his reading list. And yes, American Capitalism is "a system that works better than anyone else's" but better at what? It is not better

at providing health-care, it is not better at providing security to the elderly, it is not better at providing a modern, efficient infrastructure, it is not better at providing internet service even though the internet was invented in America. It is not better at providing an efficient transportation system; it is not better at eliminating poverty nor even of providing a culture of law-abiding citizens. It is not better at providing a just legal system or an effective educational system. So just what is it better at? Two things: a plethora of products and services most of which do not work as advertised and many of which don't work at all, and a means for a small group of people to amass huge amounts of money, especially bankers.

Mr. Fisher's comments about the Texas economy are curious at best. He says, "We're the one shining star in the United States." And "the benefit of being in Texas is we will have positive employment growth, somewhere between 1 1/2 and 2 percent. We didn't have an over-priced housing stock. We benefit from significant immigration, not just from across the border, but from foreign countries [sic] (perhaps a typesetter's error) like California and Florida."

But Mr. Fisher has his head in the sand. The Texas economy has never been prosperous. In fact, the advantages Mr. Fisher cites are the result of its lack of prosperity. The reason "we didn't have an over-priced housing stock" is that Texans didn't have the money to support a run-up in housing prices. And if Mr. Fisher passed his statistics courses, he surely knows that employment numbers are absolutely meaningless by themselves. The very week Mr. Fisher's interview was published, the Dallas Morning News published two stories about employment that were contradictory. One cited employment growth, the other unemployment growth. The only sane conclusion that can be drawn from those pieces is that the numbers used are bogus. Of course, it is well-known that

all economic numbers are bogus. The CPI is a cruel joke; so many versions of it exist that it can be cited to support almost any viewpoint. The GNP includes what a Harvard economist has called "phantom" numbers, and the employment numbers have never made any logical sense, since they render a large group of employable aged people neither employed nor unemployed. That employment growth is a meaningless number when cited by itself, consider this simple example. Suppose 12 jobs were gained and 10 lost. That gives an employment growth of two jobs. But now suppose two of the ten jobs lost paid \$80,000, three paid \$60,000, four paid \$50,000, and one paid \$40,000. The income lost comes to \$580,000. Now consider the twelve jobs gained. Suppose eight paid \$40,000 and two paid \$50,000. The income gained comes to \$420,000. So income would have declined by \$160,000. That does not look like an improvement to me; people pay for things with income, not jobs.

But because Mr. Fisher is a one-consequence thinker, he misses the connection between what he praises about the Texas economy and what he laments about it. The Texas political climate fosters anti-labor and low-wage policies. But the state gets its revenue from a consumption tax, which means that since wages are low, consumption is minimal. This results in under-funded state services, one of which is public education. So when he writes that, "It worries me terribly that there's only one Texas educational institution in the top 25 in America, and that's Rice in Houston. . . . The economy is brain-driven in America. And the way brains develop is through education." Rice University, of course, is a privately funded university; its activities do not depend upon state funding. Secondly, it is not required to enroll a fixed percentage of graduates from the state's public schools. The other best known Texas universities are public institutions, and Mr. Fisher fails to see that a great university cannot be built on the

backs of poorly prepared students. Undergraduate and graduate studies cannot be disassociated. It is difficult to lure the most talented graduate students to a university whose student body is poorly prepared, because graduate students shoulder the burden of undergraduate teaching so that their professors can devote their time to research and graduate-level teaching. Highly prestigious professors can't be lured to institutions lacking highly talented graduate students, so what Mr. Fisher laments about Texas is the result of those so-called business friendly policies put in place by the legislature that I suspect Mr. Fisher supports. Their problem with single consequence thinkers is that they cannot connect causal chains; they don't understand the distinction between proximate and ultimate causes. The low quality of Texas universities may be a proximate cause of poor economic activity, but the ultimate cause is the practice of fostering ineffective, business-friendly employment policies.

Mr. Fisher also laments the nation's commitment to Medicare. Would he then advocate that we merely allow people to suffer and die prematurely? If the nation merely kills-off the sick among us, Medicare would cost nothing at all. But Mr. Fisher's worry about the nation's long-term Medicare liability is misplaced anyhow. He says, "We have committed ourselves to do something for which there is a lack of \$85.6 trillion in funds, which we'll have to find somewhere. To me, that is the greatest threat facing America and our overall stability." But this cited number is based on some projection, and every projection is derived from a set of assumptions. Anyone with even a modicum of mathematical knowledge can show how the number can be changed by changing some or all of them. Mr. Fisher's chicken-little fears are the result of pure speculation. There are numerous ways of making the costs of Medicare manageable; every other developed



nation has done it. The only reason it can't be done in America is the hide-bound thinking of people like Mr. Fisher.

But in the end, the problem is really banker-think, which Mr. Fisher describes very nicely but inaccurately: "When the return on money gets low, people take higher risk. We had a period . . . where interest rates were low worldwide. And the yield curve, which is the difference between long-term lending rates and short-term lending rates, was almost nil. So what did humans do? They did what they always do. . . . They went out further and took higher risk. Now they're paying for that." The trouble with this description is that it uses slippery language. "When the return on money gets low, people take higher risk." Well, no. Financiers (bankers) take higher risk. Most people are not in the business of money-lending. Then again, "So what did humans do?" Well, no, not humans, bankers. Then again, "Now they're paying for that." Well, a few bankers may be paying for it, but, unfortunately, so are the rest of us who never intended to take on any risk.

Banker-think is very insidious. Bankers take the risk and then dump the consequences on the public, and Mr. Fisher says, "I don't see anything abnormal about it." Only a person who also engages in banker-think could make that statement.

And then Mr. Fisher fixes the blame: "We go through periods of excess, we overbuild, we correct, we reroute. . . . But you don't correct for the "excess excess" that we have experienced very quickly. We got carried away. I blame the regulators, including the Federal Reserve, for letting things get too far. Given that it went so far, given the natural pattern of the way creditors work, they sort of feel something is wrong, but they let it happen anyway. . . ." Mr. Fisher again confounds proximate and ultimate causes. If one asks why regulators and the FED let things get too far, the answer is banker-think. If one asks why creditors felt

something was wrong, but let it happen anyway, the answer is banker-think. If the bankers didn't engage in banker-think, the excess would have been avoided, and the regulators would have had no need to regulate. But because both the bankers and the regulators (more bankers) were of one mind, banker-think drove the bankers to more and more excess, and because the regulators were of one mind with the bankers, the regulators did nothing.

So there you have it, a bankers' constitution for the world which reads, "We the bankers of the world, in order to form a more perfect association, to secure wealth to ourselves and our posterity, caring nothing for the nation nor the welfare, suffering, or even deaths of ordinary people, do ordain and establish the BIS and a world-wide bankers' economy." Confidence game? Confidence game indeed!

Putting bankers in control of the economy is just like putting a wolf-pack in the pantry.

## A LOOK AT THE MARKET SYSTEM OF ECONOMICS

In 1953, Robert L. Heilbroner published *The Worldly Philosophers*. Its second chapter makes plain the changes that had to take place in society in order for the market system of economics to establish itself. This chapter should be required reading, for it exhibits not only the false principles upon which the market system is founded, but the immediate and disastrous consequences it has had on society—consequences that continue to plague humanity today.

The market system's foundation is relatively simple: Mankind is essentially acquisitive, human beings, when left to their own devices, do what provides them with the best monetary advantages, and as a result, society is enriched. Not only are all three clauses of this foundation false, the market system also assumes the preposterous belief that workers engage in a bargaining process in which they sell their services to the highest bidder. Very few workers are ever given the opportunity to engage in such bargaining unless they are unionized, and the assault on unions has been long going and continuous.

Furthermore, mankind is not essentially acquisitive (read greedy). Heilbroner writes, "Not only is the notion of gain for gain's sake foreign to a large portion of the world's population today, but it has been conspicuous by its absence over most of recorded history." Even anecdotal evidence demonstrates the falsity of this notion. Certainly human beings seek to acquire things, but only a few consistently do what is best to maximize their monetary statuses. Most people adopt ways of earning a living that never display the promise of wealth, and in fact, it is these people that perform the tasks that make society possible. Artists, musicians, teachers, policemen, sales clerks, nurses, manual laborers, maintenance workers, not to mention refuse collectors, are just a

few of the many necessary occupations people engage in without any promise of wealth.

Up until the fifteenth century, covetous people were society's outcasts. Just recall what the Bible claims Jesus said about rich men. And greed was condemned as one of the seven cardinal sins. So gain, covetousness, and greed were and are not the primary motivating forces for the vast majority of human beings.

How then did the market system attain its status? Heilbroner cites three basic changes that took place over many centuries and culminated in the sixteenth century: the rise of nation states, the decay of religious spirit, and social changes such as the founding of towns, the development of roads, and technical progress. And it is notable that Adam Smith's magnum opus, the bible of the market system, is entitled *The Wealth of Nations*.

But a nation's wealth does not ensure the prosperity of its people, and by the end of the sixteenth century, Queen Elizabeth lamented that Paupers are everywhere, because just one century earlier, peasant proprietors tilled their own land and made up the largest body of independent, free, and prosperous citizens in the world. And in 1718 the world's first great speculative fraud occurred in France. Fraud and pauperism are prevalent consequences of the market system even today. The world's poor are an ever growing problem, the American War on Poverty has died a slow and painful death, and fraud in the business community has reach epidemic proportions. And Heilbroner himself writes that "The new philosophy brought with it a new social problem: how to keep the poor poor." Keeping the poor poor is as much a consequence of the market system as speculation is.

It is also somewhat ironical that the market system came into existence in the part of the world that was then often called Christendom, especially since Christendom considered greed to

be one of the seven deadly sins. This, I suppose, is what Heilbroner is referring to as the decay of religious spirit. As a matter of fact, the market system has converted the seven deadly sins into the seven virtues to live by and has, thereby, contributed greatly to what many feel is the moral decline of Western civilization.

There is also much confusion about just exactly the goal of the market system is. Heilbroner writes that "After the Wealth of Nations, men began to see the world about themselves in new eyes; they saw how the tasks they did fitted into the whole of society, and they saw that society as a whole was proceeding at a majestic pace toward a distant but clearly visible goal." But this is hyperbole at best. Few people then and even now, even among trained economists have read *The Wealth of Nations* cover to cover. And to those of us who have, it is not obvious that our current political economy instantiates it. So what is the market systems goal? Is it (1) the nation's wealth, (2) the individual person's accumulation of wealth, or (3) the expansion of commerce?

Mercantilism was also a sixteenth and seventeenth century economic philosophy. It held that gold and other precious metals was the motivation for and the proper object of all mundane affairs. But one can take the same statement and replace the words gold and other precious metals with the word money, and that statement describes current mercantile activities better than the mercantilist credo does. That money is the sole motivation for and the proper object of all mundane affairs describes the market system to a tee.

Supporters of the market system always champion its contributions to the material welfare of society, citing these as reason enough for its promotion and expansion. However, this view holds up only because the positive contributions of the

market system are easy to identify and count, while the deleterious consequences are not, and so we tend to view them as isolated events. But poverty and fraud are far more ubiquitous than we like to admit, and if we could sum up their costs and subtract them from the benefits of the market system, I doubt that the result would be positive.

Basing an economic system on the wealth of nations was perhaps natural at the time, but it was misguided. What the world needs is an economic system based on the promotion of the prosperity of people. Unfortunately the market system has over the last three centuries become the new creed, and creeds are hard to abandon. The market system is now entrenched. It plays into the hands of the unscrupulous who have used their gains to corrupt the political economy. To devise an economic system based on the prosperity of people requires the appearance of a highly moral and courageous individual with both economic knowledge and political persuasiveness that no one at the moment seems to possess, which is truly lamentable. But until such an economic system is developed, the vast majority of human beings will suffer at the hands of the unscrupulous purveyors of the current market system, and immorality will dominate the lives of people.

## A MORALITY OF CONVENIENCE

Grady Booch, chief scientist at IBM Software Group's Rational division, has questioned whether software developers should be involved in creating systems that are deemed immoral or harmful to others. And Neville R. "Roy" Singham, founder and chairman of ThoughtWorks, took up the subject of morality and code during a recent interview with eWEEK. Singham said he wants to do good, change the industry and make money. He is quoted as saying, "It used to be that shareholder optimization was the prime directive. Our model is serving society in an economically strong way, which is a multi-stakeholder approach. So we are all for gaining a more sustainable environment, the green movement. . . . The fact that it was legal to dump mercury in the river many years ago doesn't mean it was not immoral. The fact that it's not illegal but is immoral, who's accountable for that? The fact that a disproportionate number of African-American men go to prison in the United States or are on parole or probation and nobody seems to care about it or says, 'That's somebody else's problem,' is just wrong." Still, he realizes there are times when the social initiatives must take a back seat. "If we have a revenue shortfall . . . we're . . . going to go after revenue. . . ."

After telling us to love our enemies, Christ says, if you love only those who love you, what good is that? Even scoundrels do that much. So what good is doing what Mr. Singham says? If a company pledges to be moral only when the bottom line is black, except for those companies that never intend to do anything but get the other guy's money by hook and crook, how does Mr. Singham's company differ from others?

Doing good, doing socially responsible things, making moral decisions, is easy if it is only done when it doesn't hurt. But neither amounts to being good, being socially responsible, or

being moral. If ideals can be discarded when a shortfall occurs, then it's really okay to dump mercury in the river or anything else to keep the bottom line black. And that's a definition of a scoundrel, a person with a black heart and a black soul.

An ancient Russian adage defines charity as sharing a bone with a dog when you're as hungry as the dog, and it has been pointed out that wealthy people who donate large amounts to charity are giving away what they should be giving back. Being moral and charitable when neither hurts is neither moral nor charitable. True morality cannot be compromised. Because businesses are willing to compromise morality, quality, and truth to keep the bottom line black is why poverty, hunger, disease, crime, and war kill, why people are enslaved and exploited, and why the planet has been raped. That they have done so to keep the bottom line black does not justify any of it. Scoundrels love to wear moral faces, and businessmen love to claim that they are do-gooders. Humbug!



## A NATION OF DUMMIES

The Dallas Morning News printed a piece by Susan Jacoby who recently published *The Age of American Unreason*. She writes that, Americans are in serious intellectual trouble in danger of losing our hard-won cultural capital to a virulent mixture of anti-intellectualism, anti-rationalism, and low expectations. Her specific bete noir is video, and although there is much evidence to suggest that she is correct, her analysis is shallow.

There is little doubt that technology has contributed to the dumbing-down of America. The first assault may have come with the hand-held calculator which has almost extinguished Americans' knowledge of arithmetic, not to mention higher mathematical disciplines. But technology in itself is not the monster. When technology becomes commercial, it becomes available to everyone--saints and sinners, decent people and scoundrels. It's the old story about guns which don't kill people; the people who use them do. And so it is with all technology.

What can we do to stop people from using guns to kill other people? Some suggest that we take the guns away, which if feasible, might work, but it isn't. Some unscrupulous people will find ways to get guns to other unscrupulous people and the killing will go on. Smuggling and black markets are, after all, common forms of economic activity.

The only alternative is to reform people. What's needed is serious and comprehensive moral and civility training. But societies today have abandoned that task.

It was once assumed that the place for such training was the family at home. But the institution of the family has been weakened if not destroyed by economic conditions and cultural changes. Today, parents themselves are just as apt to be

scoundrels as others, and scoundrels cannot be expected to teach morality and civility.

The churches sometimes like to claim the moral arena, but they have not seriously promoted morality and civility either. In a Christian society, the morality is not a priority of churches, salvation is. And as someone once said, the promise of forgiveness and salvation guarantees bad behavior.

The upshot of all of this is that morality and civility are taught nowhere anymore, and people everywhere have become uncivilized and immoral. When we put guns and any other kind of technology in the hands of such people, the result cannot be other than bad.

The advance of technology cannot be stopped, not even retarded, and unless we get serious about morality, there is little hope for America or anywhere else.

Dumbing people down is easy; the hard part is smartening them up, and unfortunately beating the technology beast will not help, because that ass does not respond to whipping.

## A ROOSTER'S CROW

If Laura Miller or anyone in Oak Cliff wonders why Serbs, Croats, and Kosovars can't get along, they need only look at themselves.

I once knew a person who had a pet raccoon in a city that had a law which forbade the keeping of wild animals within city limits. This person lived next door to a woman whose husband was an invalid.

Well, this busybody lodged a complaint about her neighbor's raccoon, and two burly policemen came calling. They asked the raccoon's owner if he in fact did own one and if they could see it. He took them into his bedroom, lifted the covers on the bed, and revealed the little animal fast asleep. This raccoon was anything but a wild animal; it was more domesticated than the average house cat. Nevertheless, raccoons were classified as wild animals, so the owner was told to rid himself of it or face charges.

About a week later, the busybody's husband fell out of his wheelchair and she was unable to lift him back into it. So guess who she called, and guess where he told her to go!

If this society has lost its moral direction, it is because the people in it have lost all sense of civility and have forgotten that living together requires that we live and let live. That people in a city filled with the noises of sirens, trucks, trains, and trolleys should complain about the innocuous crowing of roosters shows just how insensitive and crassly selfish they have become. Why anyone should pay any attention to them is a mystery, for it would certainly seem foolish to make an enemy of a neighbor over a rooster's crow.

Laura Miller and her fellow council persons should be ashamed of having abetted this incivility, and the next time one of them feels the urge to utter platitudes about the need for people to come together, I hope they all hear the cock crow hypocrisy!

## A WORLD OF “THIEVING FINANCIERS”: VENDOR ARITHMETIC, UNDERHANDED CAPITALISM

*“The world belongs to humanity, not this leader, that leader, kings or religious leaders. Each country belongs essentially to their own people.”*  
– Dalai Lama

At times, something seemingly insignificant, when thought about deeply, reveals truths that the establishment seeks to keep hidden, the most important of which is the real purpose of a nation’s existence. Most Americans, for instance, believe that America exists for their benefit and they expect the nation’s institutions to serve their needs. But astute observers know that history proves otherwise even though the Constitution clearly states what the nation was established to do.

“We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.”

Notice that the phrases, “promote business” and “protect property” do not appear in this paragraph, but “promote the general Welfare” does.

In fact the Constitution to this day contains nothing about Capitalism or any other economic ideology. The document is completely neutral as Justice Holmes, dissenting in *Lochner v New York* writes:

“[A] Constitution is not intended to embody a particular economic theory, whether of paternalism and the organic relation of the citizen to the state or of laissez faire. It is made for people of fundamentally differing views, and the accident of our finding certain opinions natural and familiar, or novel, and even shocking, ought not to conclude our judgment upon the question whether statutes embodying them conflict with the Constitution of the United States.”

Nevertheless, the Supreme Court has enshrined laissez-faire Capitalism in constitutional law for much of its history, and Justice Powell made it quite clear in his writing that he considered that to be the Court’s primary function.

The disingenuousness of the practice has made obvious injustice legal and the American people into mere means to serve the system’s nefarious goals. Whenever and wherever necessary, the people must suffer to preserve the system. The practice violates the Constitution on two accounts: it establishes injustice rather than justice and hinders rather than promotes the general welfare.

To see how this works, consider this simple business claim that most readers will have heard or read numerous times in various forms: An executive of a local electricity provider went on television recently complaining about people stealing electricity by tampering with meters. He said the theft costs honest customers thousands of dollars in higher electricity costs and should be stopped. The same claim is made by merchants about shoplifting and automobile insurance companies about insurance fraud. The claim is accepted silently; I have never heard of anyone questioning it. So let’s look at it carefully to see what can be learned from it.

The electric company sells electricity at a published rate of usage. If honest customers are being charged for the losses the company experiences because of thieves, the company isn't losing any money. Why are they complaining? What's happening is that the company is charging honest people for the actions of the dishonest. That's neat for the company but it's hardly just. If a person's home is burglarized, the person can't get back the loss from those honest people who had nothing to do with the burglary. What companies are allowed to do is steal back what they have lost from honest people. If that were made into a general legal principle, it would read something like, you may steal from the innocent what others have stolen from you. Of course, the judicial system contains no such principle, but it acts as if it does when a business is involved.

To protect ourselves from theft, ordinary people must buy theft insurance. Why aren't companies required to buy it or else tolerate the losses? Is it because the system exists to protect the property of businesses but not the property of ordinary people? How many people seeking office who flat out told their constituents that do you believe would be elected?

But it's even worse. Remember, the electric company has built the expected losses into its current rate. What do you believe happens when the expected losses fail to materialize? Does the electric company rebate its customers the losses they have been charged for that didn't happen? Sure it does!

So this seemingly innocent story that everyone accepts silently hides two common vendor forms of theft that are protected by the legal system whose justices have enshrined an economic bias into law because they have subverted the Constitution from the goals

the founding fathers wrote into it to the almost exclusive promotion of laissez-faire Capitalism. There are countless other similar unjust business practices that are similarly protected by the system.

Capitalist countries everywhere are similarly unjust and exploitive. The nations that make up the European Union are now twisting themselves into contortions so that creditors can be protected by inflicting actual physical and economic pain on their citizens. But when people must not only suffer but be sacrificed to preserve the system, the only moral conclusion is that the system does not deserve to be preserved.

Until the system is discarded, the Dalai Lama's claims are false. The world does not belong to humanity. It belongs to thieving Capitalists who are protected by biased legal systems. And because the legal systems embody thousands of these little seemingly obvious injustices, changing it is virtually impossible. Underhanded Capitalism picks the pockets of common people during every economic transaction. People, you cannot win! Desiderius Erasmus Roterodamus, the sixteenth century Dutch humanist, called lawyers jackals. Today these wolves are allowed to delineate right from wrong. Try calling that progress!

## **ABSTRACTIONS VERSUS THE “REAL WORLD”: ECONOMIC MODELS AND THE APOLOGETICS OF GREED**

Economists build models by subtracting from reality the characteristics they deem unessential to the economic situations they model. The result is a bare bones description consisting of what economists deem economically essential. Everything that is discarded (not taken into consideration in the model) is called an “externality.” So the models only work when the externalities that were in effect before the models are implemented do not change afterward. The realm of economic models can be likened to the realm of Platonic Ideas. Both realms are static and unchanging throughout all time. Unfortunately the real world constantly changes. Since externalities are excluded from all economic models and can be expected to change after any model is implemented, all economic models necessarily fail. Economists are frauds and economics amounts to nothing but an apologetics of greed.

In the 1980s, manufacturers of apparel began offshoring their production to underdeveloped countries, one of which was Bangladesh. Economists endorse this practice; they have a model that justifies it.

Offshoring production to underdeveloped nations gives needy people jobs, increases their incomes, reduces poverty, and expands their nations’ GNPs. It also enables people in developed nations to purchase products produced offshore at lower prices enabling them to consume a wider range of things. As a result, everyone everywhere is better off.



Convinced? Most economists are, but it hasn't worked that way. Everyone everywhere is not better off—as the whole world now knows. Why?

In the latter part of the 80s or early part of the 90s, a large retailer (don't remember which one) thought it would be a good idea to bring an employee of a factory in Bangladesh to America to see how the clothing the factory was producing was being marketed to Americans. So a Bengali woman was selected to represent her factory and brought to America. This idea didn't work out well. The woman not only saw how the products were being marketed but how much they cost and she was infuriated. She knew what she and her coworkers were being paid, about two percent of the price of the garments. She did not remain silent and was quickly sent back to Bangladesh. Here is the gist of her story:

She said she and her coworkers were not financially better off after being hired by the factory. Yes, the wages were better than those that could have been earned before, but they weren't much benefit. Why? Because when the paychecks began to arrive, the local landlords and vendors increased prices on everything, so just as before, all of their incomes went to pay for basic necessities. The landlords and vendors got the money; the workers were not better off, and those in the community who were not employed by the apparel factory were decidedly worse off. In fact, it quickly became apparent that the workers were working for nothing. They did the work; the landlords and vendors got the pay. But, of course, the country's GNP was better, which is all that matters to economists who still claim that Bangladesh's economy is improving.

And although Americans were able to buy the apparel more cheaply than they could have before the manufacturing was offshored, the American apparel workers who lost their jobs are decidedly not better off.

Two conclusions follow from this scenario: employment alone is not a sufficient condition for prosperity; full employment can exist in an enslaved society along side abject poverty, and an increasing GNP does not mean that an economy is getting better. Remember these the next time the unemployment rate and GNP numbers are cited. Those numbers mean nothing.

More than thirty years has now passed and nothing has changed in Bangladesh. Most Bengalis still continue to live on subsistence farming in rural villages. Despite a dramatic increase in foreign investment, a high poverty rate prevails. Observers attribute it to the rising prices of essentials. The economic model described above just does not work, not in Bangladesh or anywhere else. Explaining why reveals what's wrong with economics and why current economic practices, which have not essentially improved mankind's lot over the last two and a half centuries, won't ever improve it.

Economists build models by what they call "abstraction." But it's really subtraction. They look at a real world situation and subtract from it the characteristics they deem unessential. The result is a bare bones description consisting of what economists deem economically essential. Everything that is discarded (not taken into consideration in the model) is called an "externality." So the models only work when the externalities that were in effect before the models are implemented do not change afterward.

For instance, had the Bengali landlords and vendors not raised their prices after the factory was opened, the employees would have been better off. But the greed of the vendors and landlords was not taken into consideration by the model. The realm of economic models can be likened to the realm of Platonic Forms or Ideas. Both realms are static and unchanging throughout all time. Unfortunately the real world, as Heraclitus knew, is not static — change is ever-present, “No man ever steps in the same river twice.” Since externalities are excluded from all economic models and can be expected to change after any model is implemented, all economic models necessarily fail. Economists are frauds and economics amounts to nothing but an apologetics of greed. The world that economists model is imaginary, not real.

Don't believe that what I have described takes place only in the underdeveloped world; it takes place everywhere a profit driven economy exists. I well remember working in Washington, D.C. as a staffer for a U.S. Senator. One year, a pay raise was scheduled to take effect the coming January. Shortly after Thanksgiving Day, prices began rising in all the area's stores. The workers who received the raise were no better off in January than they were in October. The raise was siphoned into the pockets of vendors.

Free market economic conditions create a situation in which vendors always prevail. In the end, they get all the money. The economy's business is business and it is protected by the legal system. Because prices cannot be controlled in a free market economy, vendors can always set them high enough to get all the money. Economists call it inflation, and the only way it can be controlled is by reducing the amount of money available for the taking. Reducing the amount of money available for the taking reduces wage levels and keeps workers poor. The business cycle

is an excuse business uses to take back any gains workers have acquired. The American financial industry bribed the Congress to amend the Bankruptcy code in 2005 even though no financial institution was in any danger of collapse because of consumer bankruptcy filings. In 2008, the same financial industry brought down the world's economy, began foreclosing on people's houses, and forced thousands into bankruptcy. After reading this article, do you believe that both revising the bankruptcy code and the financial collapse were coincidental? The whole point of a free market economy is to take back all the money paid to employees so that the rich get richer and the poor stay poor. What happened in Bangladesh happens everywhere all of the time. Humanity is enslaved by these economic practices but the enslavement is carefully and continuously hidden. Workers, those whose efforts keep the society functioning and produce all of its wealth, are mere fodder – farm fodder, factory fodder, and when necessary, cannon fodder.

As a result,

“most of the new jobs being created are in the lower-wage sectors of the economy – hospital orderlies and nursing aides, secretaries and temporary workers, retail and restaurant. Meanwhile, millions of Americans remain working only because they've agreed to cuts in wages and benefits. Others are settling for jobs that pay less than the jobs they've lost. Entry-level manufacturing jobs are paying half what entry-level manufacturing jobs paid six years ago.

Other people are falling out of the middle class because they've lost their jobs, and many have also lost their homes. Almost one

in three families with a mortgage is now underwater, holding their breath against imminent foreclosure.

The percent of Americans in poverty is its highest in two decades, and more of us are impoverished than at any time in the last fifty years. A recent analysis of federal data by the New York Times showed the number of children receiving subsidized lunches rose to 21 million in the last school year, up from 18 million in 2006-2007. Nearly a dozen states experienced increases of 25 percent or more.”

In America, just as in Bangladesh, the vendors have emptied the people’s pockets. All economic models can be rendered ineffective by how the actions of people change externalities. Governments try to restrain such uncontrolled changes by enacting regulations, but conceiving of effective regulations that cover all eventualities and that cannot be gamed is impossible. All market economies motivated by profit are founded on unfairness as should be easily seen. In any financial transaction between two parties motivated by profit, one party wins and the other party loses, because it is mathematically impossible for both parties to profit at the same time. One person’s profit is another person’s loss. So if bettering the human condition is an economic goal, no economy motivated by profit will succeed in doing it. Unless people stand up for humanity, most humans will always be slaves. People should honestly be asked whether this is the world they want to live in. No economist, apparently, has the courage to stand up and ask. Why is that? If you know a working economist, please ask her/him!

## ADAM SMITH'S BRUTISH WORLD

Adam Smith held the Chair of Moral Philosophy at the University of Glasgow, but to call him a moral philosopher is to engage in irony, for he started Western civilization's development of an economic system that eschews morality altogether. Since 1776, when *The Wealth of Nations* was published, the economic system derived from it has regularly enabled the unscrupulous to amass great wealth while impoverishing the human mass. Surely a truly scientific system, which current economists claim free-market economics is, would have demonstrated its wealth-creating effects world-wide in 231 years. In the 1890s, Marconi invented the precursor of the radio, and within 100 years, radio-like devices had become so widespread that one can hardly imagine a world without them. The failure of the free-market capitalistic system to produce anything like the results of scientific endeavors, its failure to provide large groups of people, even in the most prosperous capitalistic nations, with the ability to afford even basic human services, and its failure to stem the periodical impoverished of entire societies when the bottom of the so-called business cycle is reached demonstrates conclusively its unscientific nature. What is most astonishing is that economists fail to note these dismal results and continue to advocate this economic system. No economist with a truly scientific mind would hold this view; he would view these dismal results as a failure to confirm the theory and therefore reject it as false. So one has to wonder why economists don't reject it.

In his *Theory of Moral Sentiments*, Smith argues that sympathy is required to achieve socially beneficial results, but it is impossible to find sympathy in the workings of free-market capitalism. The Economist recently pointed out that "Some economists believe that recessions are a necessary feature of economic growth.

Joseph Schumpeter argued that recessions are a process of creative destruction in which inefficient firms are weeded out. Only by allowing the winds of creative destruction to blow freely could capital be released from dying firms to new industries. . . . [and that recessions purge[s] the excesses of the previous boom, leaving the economy in a healthier state." The noteworthy thing about this passage is that people are never mentioned; the passage is about the economy. But this economy is illusory. Nothing is produced in it, nothing is exchanged in it, and nothing is saved in it, for it lacks people. It consists entirely of numbers, and numbers often tell tall tales.

Numbers have to be gathered, and how they are gathered is the result of human decisions. It is never certain that the manner in which they are and have been gathered is not fraught with error. Once gathered, numbers have to be interpreted in terms of other human decisions. And again, it is never certain that the interpretations do not yield erroneous results.

How can one explain how the study of this illusory economy has taken on such importance and how much it influences the lives of people who are not constituents of it? The fault lies with Adam Smith, who turned economics on its head. Free-market capitalism is an upside-down system. For economics both etymologically and practically deals with household wealth, not the wealth of nations. A nation does not feel pain, hunger, bruise, bleed, or work, but its people do. Some would say that this illusory numerical economy provides a picture of the economy as a whole, and in some sense it does. But is it an accurate or even useful picture?

Since Ancient times, people have known that what is true of the whole is not necessarily true of the part. A machine, for instance, can be large, but its parts can be small. Similarly this picture of the economy as a whole can convey an appearance of wealth

while its neglected parts can be impoverished. Those who make the assumption that the attributes of the whole can be attributed to the parts commit what has been known as the fallacy of division for centuries. To avoid the accusation of committing this fallacy, economists simply presume that the parts are irrelevant, so that the system is immoral, unjust, and ineffective for people simply makes no difference. Consider Joseph Schumpeter's claim above. His only concern is the release of capital from inefficient uses. He cares not a scintilla for the suffering and economic loss of the masses of people who are impoverished by depressions. Not only does sympathy play no role in this thinking, he appears to be a person without even an iota of moral sentiment.

Yet social institutions exist for the benefit of society's members. When ordinary social institutions stop benefiting their members, the institutions cease to exist. Their members withdraw. The economic system is a social institution just like every other. The difference is that economic systems are imposed upon people and not voluntarily joined, so it is impossible for people to withdraw from them. But the illusory numerical economy studied by economists, having excluded its effects on people from study, fails to exist for the benefit of people. Whereas an economist sees the economy's per-capita income number, a person sees the number on his/her paycheck. Whereas an economist sees the economy's inflation rate, a person sees the number of items he/she is able to put in his/her grocery cart. Whereas an economist sees the economy's employment rate, a person sees the people he or she knows who are out of work. So it is incredible that economists should think that news-releases, lectures, and position papers citing their numbers to support their claims about how well the economy is doing could ever be convincing. One wonders, How could intelligent people be so dumb? The average person couldn't care less about GNP, GDP, core inflation, how



many jobs have been created, the DOW, or the number of people filing for unemployment insurance. No amount of rhetoric about how much better off we all are because of free-trade and globalization will ever convince the people who only want those economists to show them the money, and I believe that every economist who makes those claims knows that he will never be able to. So any economist who preaches the economy's numbers is preaching in an empty cathedral, and I often wonder how many of those economists would continue to support this economic system if their own incomes were limited to what they could earn while being paid the national minimum wage. While our economists have been mesmerized by an illusion, people experience the effects of this illusion in the real-world economy. The economy is an empty shell, a whole without parts, a conceptual oxymoron.

Adam Smith turned economics on its head, reversing two millennia of human effort to raise mankind above the status of brutes. The goal of both Western secular philosophers and religious leaders was to moralize mankind. Yet the effects of the economic system introduced by Adam Smith has been to covert societies into states that resemble the states of nature described by Hobbes, Locke, and Rousseau in which each person is at war with every other. This cannot be conceived of as human progress.

So what is to be done? The answer is not difficult. Economists should deemphasize their attention on the economy as a whole and instead study how economic policies and practices affect the lives of people. Any policy or practice which affects their lives adversely must be restricted, modified, and, perhaps, abandoned. The goal must be the continual improvement of the lives of people generally. Any policy or practice that does not advance this goal can not be considered useful. Furthermore, the immorality must be excised from the system. Deception, lying,

cheating, and exploitation must be forbidden if mankind is ever to attain the moral goal of rising above the brutes.

Does this mean that capitalism, itself, must be abandoned? Perhaps not, but it remains to be seen if a moral capitalism can function effectively. Without its in-built immorality, capitalism may collapse all by itself.

As this economic system has spread world-wide, people everywhere it wields its influence fall deeper into this abominable state of nature. Wars, which have always been instruments of economic policy, are more widespread, more destructive, more violent, and more murderous. Events which can be characterized as genocide continue unabated despite all the lip-service rhetoric we have heard since the holocaust. In a world of opulence, famine is persistent, and crime is endemic. In the two hundred plus years since Adam Smith published his wealth of nations, the moral status of humanity has not risen a millimeter; it may even have deteriorated.

Until the failures of laissez-faire capitalism are recognized and it is either modified or discarded, the hymnal hope of peace on earth, good will to men will never even be approached, no less attained.

## ALL TECHNICAL BABEL ISN'T TECHNICAL

I have often been amused by those native Americans, whose mastery of the English language is obviously far less than perfect, who want to require immigrants to learn English. I am equally amused by people who want to reduce the amount of technical Babel who nevertheless babel themselves.

There is, properly, only one Channel, the one between England and Europe. People sail it, swim in it, some drown in it, ride the train under it, and I suppose, in rare circumstances, someone in it may act as a translator. But in all other cases, the word channel has to be modified in some way to be meaningful. We can have tv channels, river channels, even dry channels, but not those in "the channel," unless, that is, they're all wet.

Then there are those "messages that are accessible!" The paraplegic said the door was accessible but locked, and the customer said he could read the text but could make no sense out of it. Perhaps the word should have been "incomprehensible"?

And, oh yes, "blames the vendor language problem [three nouns in a row?] on the increasing level of commoditization in technology." I believe this says "subjecting technology to an increasing level of commodities," but I'd not stake any money on it. Or perhaps, "subjecting commodities to an increasing level of technology"? Likewise, "we are in a commoditized market. "Are we subjecting commodities to the market or the market to commodities? Or does it merely mean, without even coming close to saying so, that we are selling more boxes and fewer services?

And "we have to work to keep it simplified. . . ." What? We have to work to keep it made simple? How about, we have to keep it simple?

Oh, yes! "[T]hey come from a legacy of selling. . . ." They come from having a legal right to inherit selling? Legacy, legal, law all

have the same root! Doesn't this just mean that they have had jobs that involved selling products?

And then there is the one that has troubled me for eons, at least: "selling solutions". Al Capone sold those too, and did a better job of it.

At finally, after having climbed this tower, there is "stick with standardized spelling." Spelling subjected to standards? Isn't that what dictionaries are for? How about stick with words commonly spelled?

Ba, ba, bab, bab, babe, babe, Babel!

## AMERICA ON THE DULLING EDGE

France has just unveiled a new AGV (Automotrice Grande Vitesse) train which will travel at speeds of up to 224mph. A Japanese train that runs suspended over the tracks by magnetic levitation is even faster more than 360 miles an hour. Our fastest trains run at the rate of 54mph, still being propelled by diesel-electric engines that were developed in the 1940s.

The Organization for Economic Co-operation and Development (OECD) report says 60% of its member countries net users are now on broadband. The report said countries that have switched to fiber networks have the best speeds at the lowest prices. In Japan net users have 100Mbps lines and upload at the same speed they download, which is not possible with ADSL (broadband over a telephone line) and most cable subscriptions. Sweden, Korea and Finland also offer 100Mbps net connections. Additionally, Japan's price per Mbit/s is the lowest in the OECD at \$22.00 per month.

Americans like to believe that American companies are on the cutting edge of technology, but they are not. In fact American companies have a history of falling behind, even with technologies introduced in America, such as the Internet.

Robert H. Goddard, an American, launched a liquid-propellant rocket in 1926. The Germans were bombarding England with intercontinental ballistic missiles in the 1940. But when the Russians launched the first satellite into space, and America went into crisis mode to respond, we watched attempted rocket launch after attempted rocket launch explode on launching pads. It was only after we gave U.S. citizenship to a group of World-war II German war criminals that we managed to learn how rocketry worked. Between 1926 and the launching of John Glenn into orbit, no American company had any interest in rocketry.

Again during World-war II, American industrial might could not build small arms, tanks, or airplanes that matched the quality of those built by the Germans and those backward Russians. American M4 Sherman tanks were no match for the German VI Tiger or even the Russian T-series tanks. And it was only after Americans got to reverse engineer captured German jet fighters after the war ended that we learned how to build jet airplanes.

The American steel industry collapsed in the face of imports of steel from Japan, whose steelmakers were using newer technology which was available to but never utilized by American steelmakers. American healthcare suffers when compared to the healthcare people in other industrial countries receive, something so well known that no further comment is required.

So why do Americans experience lower quality products and services than the citizens of other industrial countries? The only possible reason is that American companies do not want to provide them. Those running our railroads don't want to build and run high-speed trains, and American telephone and cable isps don't want to provide Americans with 100Mb service. The American steel industry did not want to invest in newer technology; it chose, instead, to go out of business. And the American automotive industry seems to be headed to extinction too. Americans like to think of America as the great arena of competition, but in too many cases, American companies choose not to compete at all.

The question is why?

The answer lies in a difficult to draw, subtle distinction between companies that provide products and services to be in business, and companies that are in business to provide products and services. Many would ask, what's the difference?

Those that provide products and services to be in business, have their eyes on the bottom line while those that are in business to provide products and services, have their eyes on the assembly line. The former companies are characterized by one fewer olive in each jar to provide a greater return. Shoppers find companies like these every day while shopping in grocery stores; companies that reduce the quantity inside the box without reducing the size of the box or the price.

Many American companies do not even attempt to provide high-quality products. Consider the huge nutritional supplements industry. It would be neither difficult nor expensive to subject the many vitamins, minerals, and herbal concoctions marketed to double-blind testing. But the nutritional supplements industry does not want to do that, because it doesn't care whether its products are effective or not. The quality of products is not the industry's concern; only the bottom line is. The American fast-food industry doesn't care whether its products are nutritious or even conducive to their customers health. What it cares about is the bottom line. And if its products contribute to the ill health of Americans, well, that's just too bad, but of no concern to the industry.

Americans hold absolutely ludicrous ideas about the nature of business. It is said, for instance, that the only stake-holders a company is responsible to are its shareholders, even though companies often appear to be operated for the benefit of their officers. Yet a business is a social entity, created in accordance with the laws of the society it exists in, and as such, has the same social responsibilities that all citizens have. To hold otherwise can have disastrous national consequences, for if a company's only responsibility is to make money for its stockholders, even profitable, treasonous acts would be permissible. If China or Russia or any other nation is willing to pay enormously high

amounts for military secrets, how can a company be prohibited from selling them if the company's only responsibility is to its shareholders who would be made wealthy by the sale?

The absurd idea that businesses exist only to make money for their owners is why Americans do not enjoy the quality of products and services that are available to citizens of other industrialized nations. Implementing newer technology costs money, which at least temporarily reduces the return to owners.

America will not be a nation that operates on the cutting edge until everyone realizes that companies, just as individual citizens, have responsibilities not only to their shareholders, but to their employees, their suppliers, their customers, to society in general, and to the nation which enables them to operate. Nations that fail to enforce these responsibilities are doomed to mediocrity if not complete failure.



## AMERICA'S DESCENT TO DEPRAVITY

The Protestant ethic once defined the American character. It was held to be responsible for the success of Capitalism in Northern Europe and America by sociologists, but the Protestant ethic and Capitalism are incompatible, and Capitalism ultimately caused the Protestant ethic to be abandoned.

A new ethos emerged that the governing elite completely misunderstands. It is the ethos of the "big break," the "jackpot," the "next big idea." The slow and deliberate road to success is now anathema. Coming up with the next big commercial idea is the new model of the American dream. All that matters is the money. Given that attitude, few in America express moral concerns. Wealth is its own reward; it's even worth destroying ourselves for. And if we haven't done it yet, we surely soon will.

I suspect that most people would like to believe that societies, no matter how base their origins, become better over time. Unfortunately history belies this notion; societies have often grown worse over time. The United States of America is no exception. It was not benign at its origin and has now descended to a region of depravity seldom matched by even the worst nations of history.

Although it is impossible to find hard numbers to prove that morality in America has declined, anecdotal evidence is everywhere to be seen. Almost everyone can cite situations in which the welfare of people was sacrificed for the sake of public or private institutions, but it seems impossible to cite a single instance of a public or private institution's having been sacrificed for the sake of people. If morality has to do with how people are

dealt with, one can legitimately ask where morality plays a role in what happens in America? The answer seems to be, "Nowhere!" So what has happened in America to account for the current epidemic of claims that morality in America has collapsed? Well the culture has changed drastically in the last half century, that's what.

Once upon a time in America, the American character was defined in terms of what was called the Protestant Ethic. The sociologist, Max Weber, attributed Capitalism's success to it. Unfortunately Max was lax; he got it wrong, completely wrong. Capitalism and the Protestant ethic are inconsistent with each other. Neither can have been responsible for the other.

The Protestant (or Puritan) ethic is based upon the notion that hard work and frugality are two important consequences of being one of Christianity's elect. If a person is hard working and frugal, s/he is considered to be one of the elect. Those beneficent attributes, it was believed, made Americans a more industrious people than people elsewhere (although Europe's Protestant societies were considered a close second while Southern Europe's Catholic peoples were considered slothful.) Some now claim that we are witnessing the decline and fall of the Protestant ethic in Western societies. Since the Protestant ethic has a religious root, the decline is often attributed to a rise in secularism. But that case is considerably easier to make in Europe than in America where Protestant fundamentalism still has a huge following. So there must be some other explanation for the decline. Nevertheless, the increase in secularism has led many to claim that secularism has destroyed religious values along with the moral values religion teaches. There's another explanation.

In 17th Century Colonial America, the economy was agrarian. Hard work and frugality fit that economy perfectly. But America is no longer agrarian. The American economy today is defined as industrial capitalism. Agrarian economies rarely produce more than can be consumed, but industrial economies do every day. So in order to keep an industrial economy functioning, consumption must not only be continuous, it must continually increase.

I doubt that there is a reader who has not heard that 70% of the American economy results from consumption. But 70% of one is 0.7, of two, 1.4, of three, 2.1, etc. As the economy grows from one unit of GNP to two units, consumption must grow from 0.7 units to 1.4 units. But continually increasing consumption is not compatible with frugality. An industrial economy requires people to spend and spend and spend while frugality requires people to save and save and save. The American economy destroyed the Protestant ethic and the religious views upon which it was founded. Conspicuous consumption replaced hard work and thrift.

In his *Wealth of Nations*, Adam Smith claims that Capitalism benefits everyone since acting in one's own self-interest benefits others. Now we are being told that, "Saving more and cutting debt might sound like a good plan to deal with the recession. But if everyone does that, it'll only make matters worse. . . . what the economy needs most is for consumers to be spending more freely." The great recession has stood Adam Smith on his head, but no economist will admit it. "[A]n environment where everyone wants to save cannot be conducive to growth. Production needs to be sold and for that you need customers."

Saving is (presumable) good for individuals but bad for the economy which requires continuously increasing spending. If an economist had told that to me to my face, I would have told him that that clearly means that there is something fundamentally wrong with the nature of the economy, that it means that the economy does not exist to provide for the needs of people but that people exist only to fulfill the needs of the economy. Although it may not look like it, such an economy enslaves the people it claims to serve. So in effect, industrial capitalism has perpetuated slavery; it has re-enslaved those who were once emancipated.

When consumption replaced thrift in the American psyche, the rest of morality sank into depravity with it. The need to sell requires marketing which is nothing but a liars lair. After all, the entire enterprise is founded on Edward L. Bernays 1928 book, Propaganda. The American culture has been inundated by a tsunami of lies. Marketing has become the culture's predominant activity. No one can isolate her/himself from it. It's carried on by businesses, politicians, and the media. No one can be certain s/he's being told the truth by anyone. No moral code can survive in a culture of dishonesty, and none has!

Having subverted the Protestant ethic, the economy destroyed every ethic America has ever promoted. It became a society without an ethos, a society with no humane purpose. Americans have become lambs sacrificable for the sake of machines. Then a new ethos emerged from the chaos, one that the governing elite completely misunderstands.

It is often claimed that Washington has lost touch with the Americans it governs, that it no longer understands its people or

how its common culture operates. Washington and the nation's elite don't realize it but the culture no longer values right over wrong or hard work and frugality over sloth and profligacy. Americans today are looking for the "big break," the "jackpot," the "next big idea." The American Dream has now been reduced to "hitting it big!" The slow and deliberate road to success is anathema. Watch American Idol, The X Factor, and America's Got Talent and survey the Mongolian hoards that show up for auditions. These people, for the most part, have not worked hard at anything. Count the number of people who wager on the Lotto regularly. Such wagering requires no work at all. All these people want to do is hit it big. And who are our most extolled businessmen? Entrepreneurs! Entrepreneurs are, for the most part, one time flashes in the pan although there are notable exceptions. The trouble with entrepreneurship, however, is the high regard in which it is held. But the only value attached to it is the amounts of money entrepreneurs have made. We rarely hear anything about the nefarious ways in which they have made it. Bill Gates and Mark Zuckerberg, for instance, hardly present images of people with sterling moral characters, but in an economy without moral scruples, no one cares; all that matters is the money. Given that attitude, why should anyone in this society express moral concerns? Few in America do. So while the American elite still talk about the need to produce a workforce suitable to the needs of industry, the people want none of it.

The elite often bemoan the American educational system's failure and have been trying to fix it unsuccessfully for several decades. But if one remembers that many of America's present, most successful entrepreneurs are college dropouts, how can the young be convinced that a college education is a worthwhile endeavor? As Bill Gates, Steve Jobs, and Mark Zuckerberg have shown,

learning to write software does not require a college degree. Neither does winning the Lotto or a place on American Idol. Being drafted by the NFL may require a stint in college, but it doesn't require a degree. All entrepreneurship requires is a new marketable idea.

Entertainment and sports, lotteries and game shows, consumer products that people have had no need for for billions of years are now the stuff of American culture. But they're not stuff, they're fluff; they cannot form the basis of a stable, prosperous, humane society. It is a culture governed by merely one attribute –wealth, ill gotten or not!

The human capacity for self-delusion is limitless. Americans have deluded themselves into believing that aggregate wealth, the sum total of wealth rather than how it is distributed, makes right. It matters not how it is gotten or what is done with it. Aggregate wealth is its own reward; it is even worth destroying ourselves for. And if we haven't yet, we surely soon will.

History describes many nations that have become depraved. None that has ever reformed itself. No beautiful boy can be counted on to come forth to undo the catastrophe of the Midas touch. Money, after all, is not one of the things human beings need to survive, and if money isn't used to produce and distribute the things needed, human survival is impossible no matter how much aggregate wealth is accumulated.

## AMERICA'S MORAL DECLINE

The view that morality in America has declined considerably over recent decades is quite prevalent, and anecdotal evidence supports that view. It seems certain that dishonesty of all types in people of all walks of life has become the norm, driving honesty out of use. Such dishonesty is reminiscent of the old economic adage that bad money drives out good.

Two things about this view trouble me.

First, when the moralists in our society speak about morality's decline, they restrict the realm of immorality to a narrow set of actions and fail to mention its more important and relevant aspects. Perhaps the hue and cry over abortion and homosexuality is just so loud that it drowns out rest, but the fact that our powerful politicians and business-persons have taken dishonesty to new heights seems far more important to the welfare of this society than abortion, homosexuality, and other sexual predilections are. Sexual purity will not save this society from the deleterious effects of the corruption that seems to have pervaded our national lifestyles. We should, perhaps, take Theodore Roosevelt's advice that "the first task of the statesmanship is to befoul the unholy alliance between corrupt business and corrupt politics." But I don't hear any of America's vociferous moralists attacking this development.

Second, I'm not convinced that there has been a moral decline in America, because I don't find any evidence that Americans were ever imbued with morality. Our history of biased treatment of non-Europeans, our acquiescence to slavery for a century after the nation's founding, our genocide of native Americans (The only good Indian is a dead Indian.), our exploitation of workers in both pay and dangerous working conditions, and our haughty

disdain of peoples in other nations exhibit not one shred of moral inclination.

Yet, things in America have certainly gotten worse. The reason isn't a change in moral temperament, however. Rather it is the result of increased means.

Although technology has made life superficially easier than it once was, it has also provided scoundrels with tools that were never available before. Although politicians may always have lied, until the advent of mass communications, the influence of their lies was limited. Today those same lies can be used to motivate an unsuspecting population to endorse policies that are not only deleterious but downright evil. Give a moral person a weapon, and he will guard it with care and ensure that it is used only for good purposes; give a scoundrel a weapon, and he will use it at every opportunity to get what he wants. Unfortunately, technology hands scoundrels new weapons almost every day.

So what do the rest of us do? Unfortunately we emulate our leaders if for no other reason than to protect ourselves. No matter where morality is taught, in our homes, our schools, our churches, wherever, the most effective teacher is the world of affairs. When we find ourselves engulfed in lies and cheated in almost every economic transaction, in the absence of any other defense, we lie and cheat too. An employer who won't pay an honest wage will be stolen from. An insurance company that inflates premiums will find itself receiving inflated claims. A business that inflates prices will be pilfered.

Is there a lesson here? Yes, but people won't like it. Morality in America, or anywhere else, will not be improved so long as society's elite engage in immoral activities. So unless a society's major institutions government, business, the legal system are reformed, trying to reform ordinary people is a lost cause.



## AMERICAN BUSINESS-WRINGING THE GOOSE'S NECK

When one considers the macro business decisions that have been made in America over the past few decades, one has to wonder about the wisdom of the movers and shakers of our business community.

It is well known that the engine that drives the American economy is consumer buying. As a matter of fact, the Economist (April 23rd-29th 2005) writes that "the world's economic growth now rests on the American consumer." Yet the American business community, with the help of Republican national policy makers, continues to make it harder and harder for Americans to carry this burden.

The vast number of American consumers are the working people of America. Their consumption depends entirely on their wages. Yet the America Right, whose business interests are entirely dependent on this consumption, has traditionally advocated anti-labor policies. Tax revenues in states such as Texas which rely on sales taxes are always coming up short and will continue to as long as policy works against raising the income of working people. Legislatures, when faced with shortfalls, resort to raising rates. But that is counterproductive. The higher the rates, the less money working people have to buy things with. Not only is state revenue not significantly increased, businesses experience fewer sales. How anyone can call such policies pro-business is very difficult to understand.

But the recent revision of the nation's bankruptcy law looks like a blunder on the part of our financial industry that may do in this economy which is already on shaky grounds. Again the Economist (op. cit.) writes that "the domestic economic news is beginning to point to an unhappy combination of lower growth and higher inflation," and it cites figures on unemployment, retail

sales, manufacturing production, and housing starts to support this claim.

But now think about this: Consumer debt currently totals \$750 billion. Since minimum payments on credit cards is around two percent, \$15 billion is taken out of consumers pockets every month. And we know that this has pushed many households to the brink.

The new bankruptcy law will push minimum payments to around four percent. That means thirty billion dollars of consumer income will be unavailable for consumption every month, and that adds up to a lot of products and services that are not going to be sold by American businesses.

Furthermore, when people understand the requirements of the new bankruptcy provisions and the higher price they are going to have to pay in bankruptcy, a good many of them are sure to reduce if not eliminate entirely purchasing on credit. The \$750 billion in purchases made over the past few decades made a huge impact on the prosperity of the 1990s. What is likely to happen if this additional \$15 billion is taken out of the economy monthly? What is certain, products and services will not be bought with it. Anyone who thinks that consumer spending can continue to fuel this economy, and in turn fuel the world's economy, is incredibly stupid. Anyone who does the arithmetic knows that it can't possibly be so.

## AN IMMORAL ECONOMIC SYSTEM

*Corruption permeates the US political system*

An immoral economic system compels a society's moral decline. Because of Congressional devotion to our traditional economic system, American government seems to have enshrined all the disadvantages and none of the advantages of democracy. We have a government based on dissent, in which delay is a common tactic and secrecy is regularly employed, and which enacts imbecilic measures that never produce the results predicted. Is it any wonder, then, that the nation stumbles from one calamity to another? We the People can certainly change things, since, in accordance with our Constitution, it is We the People who are Sovereign. All that is required is a few carefully drawn amendments.

Corruption is a moral failure; it is ubiquitous in societies permeated by immorality. So how are such societies formed?

I have long contended that a society's morality devolves from the prevailing economic system rather than early childhood teaching or religious beliefs. An economic system that institutionalizes immorality diffuses it throughout society. Empirical evidence for this claim is pervasive; however, providing a demonstration is not easy. The empirical evidence can always be dismissed by claiming that immorality is a personal character fault and not a result of anything systemic. But that dismissal doesn't explain how huge numbers of people in any society acquire nefarious characters.

The common, although perhaps simplistic, view of the American economic system goes something like this: individuals, acting in their own self-interest as economic agents, engage in economic activities that bring them the greatest financial rewards thereby maximizing the economic well-being of society as a whole. Although experience does not validate this view, it is common and Adam Smith does write, in Chapter II of *An Inquiry into the Nature and Causes of the Wealth of Nations*, "It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own self-interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages." But what does this quotation imply about Congressmen? Let's rewrite the sentence.

It is not from the benevolence of Congressmen that we can expect them to serve the public good, but from their regard to their own self-interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages.

I have never known anyone who did not believe that the Congress was not corrupt, even though Congressmen, like common criminals, regularly plead not guilty. How can they justify their pleas? Simply by saying that what's good for me is good for the country, which is perfectly consistent with the two rewritten sentences shown above. In other words, Congressmen defend the morality of their actions by appealing to the prevailing economic theory. That the results are not beneficial to society as a whole is irrelevant to them. That their actions conflict with commonly held moral values is irrelevant to them. They are merely doing exactly what the economic theory recommends. Of

course, businesses can defend their malicious actions in exactly the same way. So can criminals. The result is that commonly held moral values are dismissed as irrelevant and society is imbued with immorality. An immoral economic system compels a society's moral decline. Such declines are systemic and not accidental.

The questions to be answered, then, are what financial rewards do Congressmen receive from promoting the public good? And would they receive greater financial rewards from promoting the gains of private interests? If the answer to the latter question is yes, then Congressmen, in accordance with the prevailing economic theory, are doing exactly what that theory recommends when they promote the aims of private, special interests at the expense of the public. Belief in the prevailing economic system corrupts government, business, and every other activity. It also turns representative democracy into a contentless, meaningless ritual.

I have often wondered why people run for Congress, especially after seeing what they do after getting elected. There are many very wealthy people in the Congress; some are multi-millionaires. Why do they collect their salaries? They certainly do not need the money. Why do they enroll in government subsidized medical care? They certainly can afford to buy care in the open market. Why have they created government subsidized retirement plans for themselves? They are not likely to ever run out of money. Why, when criticized for supporting legislation advocated by a special interest they have accepted money from, do Congressmen claim that the money didn't influence their votes? Why would special interests give money to people for doing what they claim they would have done anyway? Giving people money for doing

what they would have done anyway is not a common practice. When Congressmen claim that special interests do that, the claim requires an explanation, but none is ever forthcoming. If the goal of such giving is not to influence votes, why is it done? The only conclusion that can be drawn is that Congressmen are not in it for public service; they are in it for the money, and alas, Jesus was right when he said, "The love of money is the root of all evil" (1 Timothy 6:10).

The vast majority of problems that human beings face are inflicted by humans themselves, and being inflicted by humans, they can be eliminated by humans. James Wilson, a Pennsylvania delegate to the Constitutional Convention said, in explaining the proposed Constitution to the Pennsylvania Ratification Convention, "Oft have I marked, with silent pleasure and admiration, the force and prevalence, through the United States, of the principle that the supreme power resides in the people, and that they never part with it. It may be called the panacea in politics. There can be no disorder in the community but may here receive a radical cure. If the error be in the legislature, it may be corrected by the constitution; if in the constitution, it may be corrected by the people. There is a remedy, therefore, for every distemper in government, if the people are not wanting to themselves [emphasis mine]." And during the ratification conventions that took place in 1788, some conferees attempted to address this problem of compensation when they proposed an amendment meant to restrict Congressmen from setting theirs. This proposed amendment was finally ratified in 1992 as the XXVII Amendment which reads

No law, varying the compensation for the services of the Senators and Representatives, shall take effect, until an election of Representatives shall have intervened.

Unfortunately, 1992 was far too late, for the emergence of career politicians nullified the amendment's original intent. Congress sets its own compensation; Congressmen now merely have to wait some months for their raises to take effect.

The founding fathers did not envision career politicians. In fact, some amendments were proposed to limit the terms of Congressmen, especially Senators. For instance, the New York Ratification Convention proposed "That no Person be eligible as a Senator for more than six years in any term of twelve years" which would have prohibited anyone from serving two consecutive terms in the Senate.

So what is needed is a simple amendment that ties Congressional compensation to some objective number, such as per capita income which is a better measure of the wealth of people than GNP/GDP which I have argued elsewhere is a bogus and nefarious measurement. If Congressional compensation were set at say 1.5 times per capita income, Congressional compensation would increase only if the incomes of common people were increasing. Reimbursed Congressional expenses could also be set in the same way, say at 0.5 times per capita income. And Congressmen should be prohibited from enacting benefits for themselves unless those same benefits are also made available to the general public. Such an amendment would force the Congress to pay attention to promoting the general welfare, as the Preamble of the Constitution requires. Such an amendment would put current Congressmen in an absurd position. If they

continued to support special interests, their incomes would stagnate and perhaps even be reduced. Such an amendment could, thus, have the effect of reducing the influence of special interests on the Congress.

Two likely objections to restricting Congressional compensation can be anticipated: the best and the brightest would not be attracted to Congress, and increased corruption would be likely.

First, both of these objections are based on the economic system's maxim that everyone acts in his/her own self-interest as an economic agent. But this maxim is patently false. When a child decides s/he wants to be a police officer, a fireman, a school teacher, a social worker, a nurse, or countless other things, it can hardly be argued that s/he is making that choice in order to maximize his/her earning power. None of these professions is lucrative; yet they are professions that are absolutely necessary for society to function. Second, the current conditions cannot be shown to attract "the best and the brightest" to political careers. Given the kinds of legislation that the Congress has enacted consistently, one could easily argue that Congress attracts the worst and dullest. Not a single major social problem has been solved in at least a century. What such an amendment might very well do is attract to the Congress people who have a genuine desire to serve the public rather than themselves. And third, it is true that in underdeveloped countries where civil servants are poorly paid, corruption is endemic. But corruption can be reduced by making the penalties for both the corrupter and corrupted severe. Instead of fines and relatively short prison sentences, the assets of both the corrupter and corrupted could be confiscated and their citizenship revoked. Corruption exists only because society tolerates it.



That government is instituted and ought to be exercised for the benefit of the people is a sentiment that occurs in the deliberations of many of the Ratification Conventions held in 1788. It was explicitly stated in the conventions held in Pennsylvania, in the debates on the Bill of Rights held in the House of Representatives, in the amendments offered in Congress by James Madison, and in the amendments reported by the select committee. Our Congress seems to have forgotten it.

James Wilson also said, while reporting to the Pennsylvania Ratification Convention, "The advantages of democracy are, liberty, equality, cautious and salutary laws, public spirit, frugality, peace, opportunities of exciting and producing abilities of the best citizens. Its disadvantages are, dissensions, the delay and disclosure of public counsels, the imbecility of public measures." American government seems to have enshrined all these disadvantages and none of the advantages. We have a government based on dissent (the minority party is often referred to as "the opposition"), in which delay is a common tactic and secrecy is regularly employed, and which enacts imbecilic measures that never produce the results predicted.

A surge in wealthy Americans who are prepared to give up their citizenship to avoid the scrutiny of US tax authorities has recently been reported. This not only validates Jefferson's belief that "Merchants have no country." But it also puts the Congress in a precarious position. Currently, the Congress legislates for the benefit of business. Whether this results from business' buying Congressional votes or from an attachment to a misguided economic system is irrelevant. If Jefferson is right, and he appears to be, the Congress is legislating for the benefit of those who have no devotion or attachment to the nation or its people. Is it any

wonder, then, that the nation stumbles from one calamity to another, that no problems get solved, or that the society's institutions don't work?

James Wilson believed that "The people of the United States are now in the possession and exercise of their original rights; and while this doctrine is known, and operates, we shall have a cure for every disease." But he also believed, "The consequence is, that the people may change the constitutions whenever and however they please. This is a right of which no positive institution can ever deprive them." Since the American Congress can now provide a cure for absolutely no disease, it is time for the American people to assert their right and change the Constitution in ways that will force the Congress to legislate solely for the benefit of the people, which We the People can certainly do, since, in accordance with our Constitution, it is We the People who are Sovereign. All that is required is a few carefully drawn amendments.

## BILL GATES-KNIGHT IN TARNISHED ARMOR

Whenever I start my Compaq Presario, I'm greeted with a Windows copyright notice 1981-2001. That means that Microsoft has been working on this operating system for at least 25 years and hasn't gotten it right yet. Shortly after I purchased this computer, I had to start downloading and installing patches, excuse me, service packs. Service Pak 1 was supposed to plug the security holes in my version of Windows XP. Shortly thereafter, I had to download and install Service Pak 2 in order to plug the security holes in Service Pak 1. Now there's Security Pak 3. I downloaded it, but it will not install. The failure message tells me to send a message to support by clicking a displayed link and that a service technician would respond within 48 hours. That message was sent at least 2 weeks ago, but no response has ever arrived. Perhaps this service desk has been offshored to Timbuktu!

So think about it. Microsoft has been making fortunes selling houses with broken windows and un-lockable back doors. Amazing!

I don't know how many employees Microsoft pays, but I know of millions who not only work for free, they pay Microsoft for the privilege. What? Yes, think about it. How much time have you spent downloading and installing patches? Remember, time is money, and Internet access is not free. You see, we are all unpaid Microsoft technicians. Add to this what you have spent buying applications to exterminate the vermin that sneaks through the back doors. No wonder Bill Gates is the richest man in America. I wonder just how rich he would be if he had to reimburse all of us for our expenses and pay us just the minimum wage for our time.

What would you do if you went to a clothier and bought a suit or dress for several hundred dollars only to discover later that some

of the seams were not sewn tightly. And when you returned it to the store, the clerk handed you a needle and a spool of thread and told you to fix it yourself. Would you smile graciously and say, thank you, or would you be mad as hell? Yet that is exactly what Microsoft does all the time. The soul of Phineas Taylor Barnum is dancing on his grave.

Bill Gates is a phenomenon. He makes the Robber Barons of the nineteenth century and the gangsters of the Roaring Twenties look like veritable Papal saints. He is an unrecognized magician of genius. While sitting in Redmond, he can pull the wool over the eyes of millions of people world-wide. He could probably triple his fortune if he took his act to Las Vegas as a replacement for Siegfried and Roy.

Yet we admire this man. He is role-model for businessmen everywhere. We extol his charity even as he puts his name to the aphorism, philanthropists give away what they should be giving back. Oh, how we love him, and oh, how we hate doing it.

## BRAIN-BOUND ORTHODOX THINKING

George Orwell ("Politics and the English Language") claims that the decline of a language must ultimately have political and economic causes: it is not due simply to the bad influence of this or that individual writer. Careless language makes it easier to have foolish thoughts. But writing in a dialect of orthodoxy corrupts thought processes just as surely as ungrammatical constructions and slovenly chosen diction. Worse still, the language used in the ordinary lives of people in professions based on an orthodox view can constrain thought processes so that thinking in an alternate dialect becomes impossible. Language is, after all, the medium of thought, and ideology is often the path to disaster since ideologues seem incapable of even considering the possibility of being wrong. The econospeak of orthodox free-market economics is an example of such a language debasing dialect.

Look at these simple examples:

We are told that Americans save too little. But the American economy makes saving impossible. The word save in the English language has a distinct meaning: it means to protect something from danger of loss, injury, or destruction. I can save minute screws salvaged from a broken device (the kind of screws which are virtually impossible to buy) by putting them in a jar and putting the jar in a secure place. Given some unusual event, these screws will still be there a month, a year, a decade later. But I can't do that with an American dollar. Put it under your mattress today and a year later its value will have diminished to perhaps fifty cents. Fiat money cannot be saved, because it has no intrinsic value. So how has the word save come to be used? Our economy fosters language such as, Buy a refrigerator during this weeks sale and SAVE 25%. But that's not saving, is it? Have you heard about

the woman who returned from shopping and told her husband, "I bought a dress and saved 15%, a blouse and saved 20%, shoes and saved 50%. I would have even saved more but I ran out of money." In this sense, Americans are the world's greatest savers. Since we can't save, were told to invest. But investing is subject to a hoard of risks. Invest your money and lose your shirt is not an unknown event. Invest doesn't mean what invest means in the English language. Look it up! When an economist tells us to invest our money, he means wager.

And what do we invest in? Securities, of course, which are anything but secure.

What about the dialect of the market. When the market tumbles, we are told it has made a correction. Why aren't we told that it has made an error when it rises? In the English language, only mistakes can be corrected. If the word correction were used properly in relation to the market, the entire market would have to be described as one gigantic error.

Then there are the abstractions. GNP, GDP, Core Inflation, Employment Rate, Per-capita Income--absolutely none of which have any real meaning. Ask any head of household what the rise/fall in GNP or Core Inflation has done for him/her and the response you get may be merely a blank stare. This econospeak has no real meaning; otherwise, it would have an effect that people recognized.

The upshot is that no one can think clearly in econospeak. As the blogger at Econospeak has written, ". . . Feldstein . . . demonstrated how clever economists, armed with sophisticated mathematical and statistical techniques, along with the help of well-trained graduate assistants, are capable of manipulating models to get whatever results they desire. As economists like to joke, that if you torture the data long enough they will confess." So, although economists such as Feldstein can give their work the

appearance of scientific precision, their work must necessarily remain suspect.

Two economists, Massimo Guidolin and Elizabeth A. La Jeunesse, working at the St. Louis Federal Reserve, have published a paper that could only have been written by people whose thinking has been entirely constrained by the econospeech of their profession. Their paper, titled, "The Decline in the U.S. Personal Saving Rate: Is It Real and Is It a Puzzle?" claims that it is a puzzle. They write, "Although we have reviewed a number of concurring explanations that have been proposed for the declining propensity of U.S. households to save, it seems that (sometimes on logical grounds, in other occasions on an empirical level) such theories remain insufficient to explain the entire magnitude of the recent transformation of the United States into a nation of spendthrifts. (*Italics mine.*) In this sense, the U.S. personal saving rate remains a puzzle." Only brain-bound economists could have written such drivel. Had they gone out and spoken to heads of households they would have found out that the failure to save results from insufficient income.

All sorts of practices carried out by business, government, and the FED have created this situation. The people who can't save had nothing to do with it. Illegal immigration, offshoring, depressed wages, poorly regulated banking policies which allowed the mass marketing of easy-to-get but impossible-to-repay credit, and real inflation (forget the meaningless core), especially for items with little elasticity such as medical care, fuel, and food have made it difficult for many heads of households to make ends meet month after month. As the comic said, "every time I think I'm going to make ends meet, they move the ends." And unfortunately, the ends are getting further apart. The economists who have sold this system to our political and business leaders are solely responsible

for not only the so-called saving rate but also all of the other economic problems our nation faces.

To call America a nation of spendthrifts is to reveal the bias that it's never the system but the character of the people that's at fault. It is the same bias that claims that homosexuality, homelessness, and countless other vices are the result of character flaws, and the fact that a plethora of data exists that prove that this bias is false, the attraction of the bias always overwhelms the evidence in brain-bound thinkers.

America is failing as a nation. The economy is failing once again, the government is failing to support the people, the judicial system is failing, the educational system is failing, the infrastructure is failing, the medical system is failing, the fabric of society is being torn; yet, no one questions the orthodox ideologies responsible for this situation. It is said that Einstein defined insanity as doing the same thing over and over again and expecting different results. Such insanity is the legacy of every orthodoxy, including free-market economics.



## CAN AMERICA BE CHANGED?

*The political economy, not the mythical America  
is really what defines America*

If the American people ever hope to take back their country, they need to understand America's political economy so the parts of it that are morally offensive and economically ineffective can be repudiated. Only then will Americans be able to make the changes that are needed to make Lincoln's dream of a nation of the people, by the people, and for the people a reality. But unfortunately no one studies political economy as it was studied in the eighteenth century, so change has become very difficult.

During his final week in office, George Bush claimed: "There's still an enemy out there that would like to inflict damage on America - Americans. . . . The most important job [for] the next president is . . . to protect the American people from another attack." I doubt that many people who heard or read this claim noticed its subtle ambiguity. America is equated with Americans. But are the two really synonymous?

For instance, who or what was really attacked on 9/11? The most specific answer is the World Trade Center in New York City and the Pentagon in Washington, DC. Neither separately nor both together can be equated with America. Were the people in those three buildings attacked? In a sense, I suppose they were, but who were they and how many were there? The question is almost impossible to answer accurately. Why?

In one report, which is typical of many, the writer claims that, "Nearly 3,000 Americans lost their lives. . . ." This statement too is

ambiguous. I suspect that more than 3,000 Americans died on 9/11, but not all of them died as a result of the airplanes that were flown into the World Trade Center and the Pentagon. Furthermore, the people who did die as a result of these events fall into different groups – those who were in the buildings before the planes crashed into them, and those who responded to the crashes, and all who were in the buildings before the planes crashed were not all Americans. So how many Americans in the buildings before the crashes died as a result of the crashes? Well, considerably fewer than 3,000.

How near to 3,000 is nearly 3,000? I don't know. Perhaps +/- ten? Or twenty-five? What about 50 or 100 or 500? What about almost 1,000? If you search for a list of the victims, you'll find different numbers reported.

One report cites these numbers:

Two thousand seven hundred and fifty two victims died in the attack on the World Trade Center. But 343 were firefighters and 60 were police officers, totaling 403. Although it is true that they died on 9/11 after responding to the attack, they themselves were not directly killed by those who attacked on 9/11 which leaves 2,349 who possibly were. They were killed by the buildings' collapse.

One hundred eighty four people were killed in the attack on the Pentagon. Now the total comes to 2,532. But wait, this number includes nationals of over 70 countries, 67 of whom were British, one was Turkish, two were Irish, one was an Israeli, one was German, one was El Salvadorian, over 201 were Indians, and one was Nigerian. This comes to 275 from eight countries. But the

report claims that there were victims from more than 70 countries. So there must have been at least 62 more foreign victims which brings the total of foreign victims to at least 337. Now the total number of Americans killed directly by those who attacked on 9/11 comes to 2,195. A similar analysis of another report produces the number 2,033. Neither of these numbers seems like nearly 3,000 to me, but “nearly 3,000” seems a lot more compelling than “at most 2,033” to someone trying to use a number to justify going to war. Is that why getting an accurate count is so difficult?

All of the people who were killed on 9/11 were not in the buildings that made up the World Trade Center or the Pentagon and all were not Americans. Most of the people in those buildings before the crashes were uninjured. The others who were killed were killed by the collapse of the buildings. It is doubtful that the attackers expected that to happen. After all, no skyscraper had ever before been destroyed by an airplane striking it. And when demolition experts bring down buildings, the place the explosives at the bottom, not the top. The ambiguity over who was killed how is remarkable. Propagandists love ambiguity, and almost everything we know about 9/11 is ambiguous.

But okay, say 2,000 Americans were killed by the attackers on 9/11. America then went to war and according to the Washington Post, at least 5,848 members of the American armed forces have been killed. So almost three times (2.9 times actually) more have been killed in the wars than were attacked and killed on 9/11. When I was a boy, we called this kind of situation, biting off one’s nose to spite one’s face.

But who were these 5,848 soldiers?

Well think about it. After all, the war is being fought to “protect the American people from another attack.” To say that Americans are being protected by sending Americans off to be killed is a strange oxymoron. (Oh, I know. It happens in every war.) If Bush’s claim, however, has any truth at all, the wars are being fought to protect America and not Americans. But what then is the America that is being protected? Well, consider this:

Many people think of America as a set of values, those values that America stands for. You know! “We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.” “[T]hat this nation, under God, shall have a new birth of freedom –and that government of the people, by the people, and for the people, shall not perish from the earth.” “Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances. . . . The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.” Every schoolboy knows these, but the Congress and the federal judiciary seem to have forgotten them.

But wait! Lincoln knew that no nation of the people, by the people, and for the people ever existed, and what has never existed cannot perish. This view of America is pure myth, and the Congress and the courts know it. Neither can something that has

never existed be protected. So this is not the America that the wars are being fought to protect. What then is?

Early in the seventeenth century, the term “political economy” was introduced by Antoine de Montchrétien when he published his *Traité de l'économie politique* in 1615. The term denoted a branch of moral philosophy which studied production, buying and selling, the distribution of national income and wealth and their relations to law, custom, and government, all of which have moral implications. Adam Smith, David Ricardo, and Karl Marx considered themselves political economists. The economist, Edwin R. A. Seligman, described it nicely in 1889, “Economics is a social science, i.e., it is an ethical and therefore an historical science...It is not a natural science, and therefore not an exact or purely abstract science.” After Alfred Marshall published a textbook in 1890, the term “economics” began to replace “political economy” and the term has now disappeared from common usage in America.

But political economy differs from economics in that politics and economics are studied together, being inextricably linked. Furthermore, political economy has a strong moral component while economics does not. Today, economists like to pretend that economics can be studied independently even when they recognize that it can't. The proof is that economists fall into sects that are clearly political. We have conservative economists such as the late Milton Friedman and liberal economists such as Paul Krugman, and politicians clearly hold economic views. Although not admitting it, economists try to bend their theories in ways that make their theories and political views compatible. Furthermore what economists call laws must be enacted into law for any economy to work. Economists routinely attempt to

influence government to enact laws and implement policies that are needed to make the economies that economists favor work. Economies do not work in the absence of governmental action. As distinct from political economists, economists now study merely the ways that society uses to organize the production, distribution, and consumption of goods and services without taking into consideration morality or how political views affect these. Economists take their political views for granted and refuse to subject them and the economic policies that their political views generate to scrutiny. Whereas political economy deals with the relations between production, law, custom, and government in an attempt to understand how political institutions and economic practices influence each other, economists like to pretend that economic laws are not influenced by political institutions. But look at this: “It is ridiculous to argue that the inequality in the U.S. is simply the result of free markets. Markets are structured by governments.”

In a sense, when considered as a descriptive activity, a nation’s political economy describes exactly what a nation does, how it does it, and thus what it really stands for. The political economy of a nation can thus be compared to what it says about itself to determine if it walks a walk that matches its talk.

In short, there is no such thing as an economic system that is not defined and protected by some legal system. That’s why politics and economics cannot be separated. But oddly enough, the U.S. Constitution mentions no specific economic system as Justice Holmes recognized in *Lochner*. So how did Capitalism become the American way? Partly by accident and partly by judicial fiat.

When the English colonists came to America, they brought with them the English political and economic system, the English political economy, which was enshrined in English common law. When the nation was created in 1789, the federal courts were given the responsibility of adjudicating legal disputes between the states. The justices did so by incorporating the relevant aspects of English common law into case law. They could have used ordinary moral principles instead and fulfilled the framers' desire to "establish Justice" (found in the Constitution's preamble) but they didn't. They codified English common law into American law by means of mere judicial decree. Thus the economic aspects of English common law became the basis of the American commercial code. Furthermore, people like Lewis F. Powell Jr., who later became an associate justice of the Supreme Court, warned the Chamber of Commerce that the nation's free enterprise system was under attack. He urged the Chamber to assemble "a highly competent staff of lawyers" and retain outside counsel "of national standing and reputation" to appear before the Supreme Court and advance the interests of American business. And Robin S. Conrad, the executive vice president of the U.S. Chamber of Commerce's litigation unit claimed that, "Under our constitutional system, especially with an activist-minded Supreme Court, the judiciary may be the most important instrument for social, economic and political change." So throughout the nation's history, the Court has written a Capitalist economy into case law even though nothing in the Constitution required it. Yet English common law is a moral abomination; it always favored the English aristocracy.

So America's political economy consists of something like this: In addition to the makeup of the national government as described in the Constitution, it consists of the rules for how candidates are

selected (mainly the laws regulating primary elections in the several states), how elections are financed, how votes are tabulated, how elected officials are paid, how each chamber in the Congress enacts legislation, how enacted legislation is enforced and adjudicated, how case law which contains the rules governing economic activity is written and enforced, how governmental agencies are related to the three Constitutional branches and are overseen, especially those agencies whose actions are kept secret, how non-governmental groups such as the Council on Foreign Relations and the Trilateral Commission among others are allowed to influence governmental actions, and how the Supreme Court has usurped the Constitution, and a lot more.

This political economy, not the mythical America, is really what defines America and is what the War on Terror is meant to protect. Americans were not the targets of those who attacked the World Trade Center and the Pentagon, the economic and military aspects of America's political economy were. Although most Americans don't know any of this, the President, the members of Congress, and the justices of the federal courts know it very well, and consequently they have no qualms about restricting the values America is supposed to stand for, including our Constitutional rights. General Smedley Butler was aware of all of this when he wrote, "War Is a Racket. . . . The flag follows the dollar and the soldiers follow the flag. . . . I spent most of my time being a high-class muscle-man for Big Business, for Wall Street and for the Bankers. In short, I was a racketeer, a gangster for capitalism. . . . I helped make Mexico, especially Tampico, safe for American oil interests in 1914. I helped make Haiti and Cuba a decent place for the National City Bank boys to collect revenues in. I helped in the raping of half a dozen Central American



republics for the benefits of Wall Street. I helped purify Nicaragua for the international banking house of Brown Brothers in 1909-1912. I brought light to the Dominican Republic for American sugar interests in 1916. In China I helped to see to it that Standard Oil went its way unmolested." Butler understood political economy.

Legal experts have suggested that the Patriot Act erodes elements of several parts of the Bill of Rights, citing the following parts of the Constitution: the First Amendment (freedom of speech and assembly), the Fourth Amendment (freedom from unreasonable search and seizure), the Fifth Amendment (right to due process of law), the Sixth Amendment (right to speedy, public, and fair trials, right to confront accusers, and right to a criminal defense), and the Eighth Amendment (freedom from excessive and cruel and unusual punishment). Of course, passage of the Patriot Act is not the first time the government has restricted civil liberties. During every major American war, the government has imposed restrictions on civil liberties. The specified reasons have been varied, but the common aim has always been to quell dissent, to silence criticism of political decisions.

It should be obvious that wars are not fought to protect the lives of Americans, since in wars, Americans are sent to die. It should be equally obvious that wars are not fought to preserve the values enshrined in the Constitution, since in wars, those values are routinely restricted. The only alternative then is that wars are fought to preserve those institutions and practices that make up the political economy. Its preservation becomes all consuming and neither people nor the nation's values are allowed to interfere with that goal. In short, the War on Terror is being fought to protect the status quo both politically and economically.

A nation's political economy is also what makes meaningful change difficult if not impossible; meaningful change would require abandoning much of the legal system. If the American people ever hope to really be free, they need to understand America's political economy so the parts of it that are morally offensive and economically ineffective can be identified. Only then will Americans be able to make the changes that are needed to make their country truly theirs and make Lincoln's dream of a nation of the people, by the people, and for the people a reality. But unfortunately no one studies political economy as it was studied in the eighteenth century anymore, so change has become very difficult, very difficult indeed.

## CAN AMERICA BE FIXED?

“Washington tends to enforce a foolish consistency. If you are someone of some prominence whose views are known publicly, then everything you have ever said in the past tends to be projected forward and everything you say today is projected backward. Any discrepancy potentially brings charges of flip-flopping or hypocrisy or selling-out or whatever. Certainly, these charges are valid in many cases, but the simple possibility that circumstances have changed or that experience or new evidence has caused one to change one’s mind seems never to be seriously entertained. The result is to force people to stick with positions they know are wrong because they less fear being foolishly consistent than being attacked for flip-flopping.” (Bruce Barlett),

When Americans adopted the notion that acting on principle, standing up and fighting for what one believes in, is virtuous, while changing one’s mind, even on sufficient evidence, is unprincipled flip-flopping and unseemly is not known, but it surely has its foundation in the American addiction to ideology which places greater value on belief than on knowledge. This notion’s absurdity should be obvious, but apparently it isn’t. Acting on erroneous principles leads to disaster, and why anyone should be willing to do that is an enigma. Yet even more sinister consequences follow from this notion. Since no prominent person, especially one holding elective office, wants to be labeled “unprincipled,” people are loath to change their views even when they know those views are wrong. Once they have decided that being “principled” is more important than being right, they have no inclination or desire to question the validity of their views by seeking the truth. The result is that these so-called principles

become ossified dogmas, debate degenerates into vituperation, government becomes ineffective, and society disintegrates.

But the adoption of this notion along with the American addiction to ideology does not prevent inconsistency, and Bartlett's comment reveals another trait of what passes for America's intelligentsia—the curious inability to think past the first level of consequences.

What Bartlett misses is that people hold “principled” views on numerous issues. Holding a “principled” view on one issue can conflict with the “principled” views held by the same people on other issues, and if the “principled” people have no inclination or desire to validate any of their views, the inconsistencies never become apparent to them.

Two such contradictory views are held by the American political status quo, especially on the political right, but often by those termed moderate and liberal as well. One is the view that the family is the fundamental unit of society. The other is the ideological belief in the capitalist system.

The United States of America does not have anything that an anthropologist would recognize as a true society. America consists of a mere cluster of people and groups with various and often opposing beliefs who often have little tolerance for the beliefs held by the others. It has been said that Americans do not live together, they merely live side by side. These individuals and groups openly seek to promote their own interests at the expense of the interests of all. Freedoms of all sorts are being restricted and those people who fall outside of the dominant groups are left to their own devices or abandoned entirely. No true society

operates this way, and Americans have obviously never understood Mill's *On Liberty*.

In primitive societies, the family, especially extended, is the individual's support group. When a young mother dies or becomes infirm, when a person becomes ill or incapacitated, when children are orphaned, when people become elderly, the family provides the needed support because it is often not possible for an individual "to operate within his own societal space, assume his responsibilities, and exploit his potential." [See Steyn below.] Reality is not so benign. But two dogmas of the capitalism practiced in America, what the French call *capitalisme sauvage*, destroys families—the mobility of labor, and the subsistence wage (or the lowest wage that will buy the labor required).

The insufficient income that results from low wages is a major cause of divorce and when family members are dispersed by having to move to where jobs are, the extended family disintegrates. A year or so ago, a study on divorce rates showed that divorce was highest in those red, conservative states in the Bible belt. Protestant clerics bemoaned this finding, attributing it to their own failure to instill Christian values in their flocks, but they failed to notice that per capita income is also lowest in these same Bible belt states. As the extended family disintegrates, the needed support groups collapse, and the individual who is unable "to operate within his own societal space, assume his responsibilities, and exploit his potential" is abandoned. Abandoning one's children is considered by conservatives to be criminal, but apparently they do not consider a nation that abandons its people to even be wrong.

When the people so abandoned clamor for societal support, conservatives often berate them for their “indolence” and accuse them of wanting to become “wards of the state.” See Mark Steyn. But the concept of a state is an abstraction, and becoming a ward of an abstraction is impossible. States do not provide people with anything. States merely function as means. Governments consist of people who enact and collect the funds needed to fund the execution of laws. The money comes, at least in fiscally responsible nations, from the nations’ peoples. When social programs are created to care for those in need, it is not the state that provides the programs, it is the society. It is society that is the village that is needed to raise a child, not the state. People do not become wards out of indolence, they become wards out of necessity. And the economic system is largely to blame. When people lose their jobs in economic downturns, it is not because they are indolent. When people fall ill or are injured and cannot afford medical care, it is not because they are indolent. When the value of their investments falls because of poor decisions made by corporate or even political leaders, it is not because the people are indolent. It is because the economic system has destroyed the family and is itself unreliable and designed to regularly fail. The economic system then compounds the problem by the idiotic dogma that the only groups that corporations are responsible to are their shareholders. [See my piece, Dumb Claims that go Unquestioned].

What results, of course, is an assemblage of people that resembles what Locke and Rousseau describe as a state of nature, an *état sauvage*, which civil governments are theoretically created to tame. But capitalism not only makes taming the *état sauvage*, impossible, it destroys the family and along with it the basis of society itself. So any “principled” conservative who believes both

that the family is the fundamental unit of society and also in capitalism holds fundamentally contradictory views even though s/he holds each “principled” view consistently. So the foolish consistency of the so-called “principled” is not consistency at all. And since the American status quo is assumed to be both ideologically addicted and “principled,” what passes for an American society is afflicted with numerous irresolvable contradictions. Sooner or later it must crash headlong into reality.

The difficulty arises when one asks how one would go about fixing things. True believers and “principled” office holders cannot be influenced by rational discussion, facts, or even the horrific consequences of implementing their erroneous beliefs. If one believes that these beliefs cannot be wrong, when they go wrong it is always because they have been misapplied. If people are poor, it is because they are indolent, if businesses fail, it is because their directors are inept or corrupt, if government policies fail, it is because they are under funded, not enforced, or inefficiently applied. The belief is never questioned; the system is never reformed. It is merely incessantly patched. But contradictions cannot be removed by patching.

So the broken healthcare system can't be rebuilt fundamentally, it can only be patched. Failed foreign policy practices cannot be altered fundamentally, they can only be patched. The political system that allows deep-pocketed lobbyists to corrupt the system cannot be reformed, it can only be patched. And most importantly, the capitalist economic system, *capitalisme sauvage*, cannot be transformed, it can only be patched. The more things are patched, the more things stay the same. What passes for a society continually unravels, no social problems are ever solved,

the people are abandoned for the sake of institutions founded on erroneous beliefs, and eventually the nation collapses.

This is the logical explanation, but there is another nefarious one. Perhaps the claims of ideological purity and consistency on the part of the status quo's elite are mere marketing. Perhaps the members of this elite are committed to no ideology at all. Perhaps all they care about is their own self-interest. Perhaps they will espouse any position at all if they believe it will be profitable. Perhaps they are the proverbial progeny of Cain and the mark they bear is a capital S with a vertical line drawn through its center. Perhaps they are merely scoundrels. Many people, people like Bruce Bartlett, make the unwarranted assumption that the "principled" true believers are well meaning but misled, irrational, ignorant, or foolish. But perhaps Bruce Bartlett and those like him are the ones who are wrong.

There is empirical evidence for this view—all the promises politicians have made to get elected that have never been fulfilled. People who lie regularly to further their own ends are rogues and rogues are not principled people.

So has the United States of America doomed itself by the addiction of its people to ideology and foolish consistency and by developing a political economy managed by rogues? Is it now impossible to fix? Unless the people rise up and demand fundamental change, the answer appears to be, "Yes!" Can the people be expected to do this? Not given the status quo's ownership of the media, because the vast majority lacks even a hint of what is really going on.



## CAPITALISM SNUFFS OUT THE AGE OF ENLIGHTENMENT'S CANDLE

Suppose Paul Krugman, or any other Nobel Prize winning economist, owned an automobile that intermittently broke down but could be made to run again by tinkering with the mechanism. Suppose the breakdowns happened unexpectedly in places that not only caused Mr. Krugman but countless others inconvenience and hardship, as for instance, on a major highway during rush hour, perhaps even causing injurious or even deadly accidents. How many times would Mr. Krugman allow this to happen before coming to the conclusion that the vehicle, regardless of how often it underwent tinkering, would never be a reliable mode of transportation and that it should be consigned to a junk yard? Only Mr. Krugman knows the answer, but I suspect that it would not take too long. Neo-classical Anglo-American economics in all of its variations, which have come about by tinkering, is just such an unreliable economic vehicle. The breakdowns are so frequent that economists have even incorporated them into the theory by referring to them as one aspect of "the business cycle;" yet Western economists display an absolute unwillingness to abandon the theory. Try doing the same thing with automobiles by calling intermittent breakdowns one aspect of the breakdown cycle. How would people react if automobile manufacturers tried to sell cars that had built in breakdown cycles? Since 1789, there has, on average, been one economic crisis every 12 years in the United States. Assuming that the average useful life of an automobile is eight years, interpolating American economic crises to automobile breakdowns comes out to one breakdown every four months. Who would buy such a vehicle?

Of course, the problems with classical economics are well known. Criticisms of it emerged at its beginning. But criticisms of any theory are always of two kinds: criticisms of the paradigm's details and criticisms of the paradigm itself.

Internal criticisms give rise to the kinds of tinkering that result in those sects that economists euphemistically call schools. We have Misesians, Hayekians, and Keynesians, to name just a few, just as Christianity has Papists, Lutherans, and Calvinists, and Islam has Sunnis, Shi'a, and Sufists. And classical economics shares all of the attributes of a religious ideology. True believers have a predilection to pick and choose those aspects of a doctrine that are liked while ignoring those that aren't. Regardless of how devastating the criticism or the amount of evidence provided, true believers have a propensity to ignore it. Empirical verification of claims is never even possible. I know of not a single "law" of classical economics for which an empirical counterexample cannot be found. Skepticism and doubt are absent. Those clerics who take their flocks to remote places intermittently to await the Second Coming never return and say they were wrong when the predicted event fails to happen. Economists never admit to being wrong either. Yves Smith cites a plethora of proximate causes for the lack of economists' self-recrimination; he apparently has never heard of final causes. The real reason for this lack of self-recrimination is that Classical economics is merely a religious-like ideology and economists who advocate it act exactly those clerics whose predictions of the Second Coming always fail. Classical economists dissociate themselves from those who adopt religious ideologies, claiming that the theory is founded on "natural law," a long discredited concept, and the use of mathematical models. Somehow, it never occurs to them that Bishop Ussher used a mathematical model

when he calculated the date of the universe's creation to be 23 October 4004 BC (according to the proleptic Julian calendar) or that numerology consists entirely of mathematical models. So much for them! And when really pressed, economists fall back on the classic dodge, "it is certainly preferable to any of the other socio-economic models humanity has witnessed." Not only is that not obviously true, since the questions of preferable in what respect and to whom can be asked, very few alternatives have ever been tried, and many of the few that have have not been tried on national scales.

External criticisms are much more serious, however, yet classical economists treat them as entirely irrelevant. Here are just a few.

Classical economics is not a unified theory. It is a hodgepodge of sometimes inconsistent pieces on various economic topics about which nothing is known but much is believed. Numerous disputes about the nature of wealth and value and of wages exist, for instance. Classical economists are not of one mind on any of the doctrine's principal postulates. Read the posts on [economistsview](#) and count the number of times the words "believe" and "think" are used and compare those counts to the number of times the word "know" is used. Then count the number of disagreements you find between respected economists.

Classical economics does not encompass all economic activity. Classical economics promotes *laissez faire*, *laissez-passer*, but there is much economic activity that no classical economist has ever attempted to apply *laissez faire*, *laissez-passer* principles to. First, most of what we call criminal activity is economic in nature. Burglary, theft, pick-pocketing, shop lifting, fraud, prostitution, the manufacture and sale of illegal substances, loan sharking, all

kinds of corruption including political, kidnapping, bribery, and many others are economic activities that no economist claims should be unregulated, unforbidden, and unpunished even when the techniques used are identical to those used by “legal” businesses. For instance, much criminal activity involves deception, yet deception in business practices is legalized as “puffery.” There is no essential difference between businesses entering higher prices into their scanning computers than are posted on shelves and picking a person’s pocket. A local television channel runs a feature regularly, called “Deal or Dud,” on which products heavily advertised on television are tested. Most turn out to be duds. But what essential difference is there between selling a consumer a product that is a dud, and a consumer’s buying a product with a check that is a dud? Yet the latter is illegal while the former is not.

Those who promote classical economics have never believed in it themselves. To paraphrase Emerson, “What they do speaks so loud that we cannot hear what they say.” The economic community despises regulation but esteems favor and always has corrupted governments to get it. From the East India Company’s charter to today’s political lobbying, so-called laissez faire has always been carried out with governmental help. Just another example of ideological pick and choose!

Finally, classical economics has institutionalized immorality, corrupted governments and even religion itself, and most of all, it has reversed the course of human progress.

Classical economics is topsy-turvy; it has turned economics on its head. Until the middle of the seventeenth century (1651), the word ‘economy’ referred to household management. Since then,

the word has come to mean management of the resources of a country. What brought about the change was the emergence of unified nation states in Europe, monarchical in government, and structured by classes—mainly aristocratic and peasant. Wealth and property were held by the former, and the latter were considered disposable livestock whose only function was to support and defend the state and the status quo. Until then, human progress was aimed at moralizing humanity, and the Seven Deadly Sins defined the human attributes that were to be discouraged and eliminated. The proper beneficiaries of human endeavor were thought to be human beings. Since then, the Seven Deadly Sins have been transformed into the Seven Economic Virtues, and the consequences for humanity have been horrific. Mercantilism initially became the dominant economic theory and its implementation was carried out by imperial conquest and exploitation, and Adam Smith's classical economics was introduced merely as a more efficient way of expanding national wealth. The successful adoption of classical economists can be attributed to him and John Locke and those self-seeking aristocrats who recognized the license to steal that it provided.

Both Locke and Smith lived in a class-structured monarchical England. Although they themselves were not aristocrats, they certainly were not commoners. Both had aristocratic benefactors. The first Earl of Shaftsbury, who became Lord Chancellor, became Locke's benefactor, and Locke became the secretary of a very powerful board. Adam Smith's patron was Lord Kames. Smith obtained a lucrative post as tutor to the young duke of Buccleuch. So although neither Locke nor Smith was an aristocrat, their close associates were and both benefited from and shared in the privileges of the aristocracy. Sociologists claim that people who have a similar location within a system of property relations

develop other important similarities of thought, values, style, behavior, and politics. Since both Locke's and Smith's principal associations were with members of the aristocracy, they both acquired and attempted to preserve and perhaps further establishment values.

Although Locke has gained some standing as a philosopher while Smith has not (even though he was a professor of moral philosophy), Locke made a fundamental categorical mistake in his *Second Treatise on Government* which Thomas Jefferson was quick to notice. Locke named life, liberty, and property as natural rights. Even in Locke's England, society could at least try to protect the lives and liberty of even common people, but it could not attempt to protect their property since they had none. So Jefferson altered this list of natural rights to life, liberty, and the pursuit of happiness. Since, in most respects, only the English aristocracy held property, its protection became a protection of the status quo. And protection of establishment property even today is the fundamental reason for the distinction between those economic activities that are legitimate and those that aren't. That alone accounts for the difference between selling a consumer a product that is a dud, and a consumer's buying a product with a check that is a dud. The haves get to keep what they have while the have-nots get fleeced.

Smith, too, is an establishment philosopher. As Richard Reeb has pointed out in "An Historian on British History", "There were essentially two approaches that kings of the early modern nation states took toward the generation of national wealth. One supported acquisition of precious metals and hoarding them for national purposes ... Another view, favored in Britain, was that it was better to encourage merchants to build their fortunes with

limited regulation, as a growing commerce funded government with minimal taxation. Adam Smith's *Wealth of Nations* provided the most powerful argument for the second view of national wealth. The British government was no less tempted to commandeer the resources of the country than the Spanish, but Smith made a compelling case for *laissez-faire* (let them do as they please) as far more productive than national missions to exploit natural resources the world over to enrich the government's coffers. Smith's famous "invisible hand" was not blind to the avarice of businessmen (quite the contrary) but rather saw them as more efficient producers than any government could ever be." Smith's goal was not only to preserve the establishment but to make its economic avarice and exploitation more efficient. In effect, the adoption of classical/neo-classical economics not only succeeded, it extinguished the goals of the Age of Enlightenment and put an end to humanity's progress toward *liberté, égalité, fraternité* and what Lincoln so aptly expressed when he spoke of "a new birth of freedom" and a "government of the people, by the people, for the people." Not a single such government exists today, and our nation states, although slightly altered in form, mimic the monarchical states of seventeenth century Europe in which common people not only exist for the sake of the state and its institutions but are thought of as expendable.

Evidence for this view is overwhelming. The Congress of the United States can find billions of dollars overnight to fight wars of dubious merit and to support failing establishment institutions, but money for programs to support people in need can never be found. The wages of automobile workers are criticized as "too high," but not the wages of Wall Street brokers or elected officeholders. Raising the minimum wage is opposed and union

membership is discouraged, but so-called professional organizations, which are nothing but unions, are not only tolerated, they are allowed to engage in activities that influence governmental policies in their favor. Not a single labor leader holds a Congressional seat but lawyers who are members of the ABA abound. Young men and women, mostly common people are sent off to war often to be sacrificed, but when they are fortunate enough to return alive find themselves being denied benefits and services which they have been promised. These people who were considered expendable when recruited remain expendable when discharged. The Congress can quickly find \$700 billion for bankers but not .07¢ for the elderly living on Social Security (what a misnomer!). Medicare was originally set up to pay physicians to see patients, but unless the patients had the means to buy the medications prescribed, no treatment was possible. What was called a benefit to the elderly in reality was little more than a physicians' income protection plan.

Some economists may claim that this is mere happenstance, not a necessary result of the economic system, but that claim is vacuous. Under classical economics, individuals supposedly act in their own self-interest as economic agents who dedicate themselves to those economic activities that bring the greatest income. But if this were so, society would be impossible. No one would be willing to do the low-paying jobs that the existence of society requires. Who would be a minimum-wage sewer worker? Who would be a public school teacher? Who would be a nurse? Who would be an artist, a serious (as opposed to a popular) composer, a social worker, an ambulance driver, a fireman, a policeman, a janitor, a door man, a porter, an factory worker, an oil rig worker, a lumberjack, a garbage collector, a checkout clerk at a grocery store, a college professor in a public institution, or



even a cleric? People would do most of these jobs only out of necessity, which means that the system impales its adherents on the horns of a dilemma. Either Classical economics is founded on the completely false postulate of economic self-interest or it must be designed so that the largest numbers of people in a society are never allowed to pursue their own self-interests as economic agents. (Anyone who believes that adopting a theory that impales its adherents on the horns of a dilemma is rational is delusional.) One economic aspect of this design is Smith's subsistence theory of wages. (Only a person with a low opinion of common humanity could even have proposed such a thing.) The masses must either accept their social status or attempt to escape it by either winning huge payoffs through lotteries or game shows or turning to prohibited alternate economic endeavors (usually called crime). Even education is not an effective path for most. So crime becomes an essential characteristic of Capitalism, and the growth of it in both Russia after the abandonment of Communism and Israel after the abandonment of Socialism are ample enough proof. Unless Americans are genetically predisposed to criminal behavior, that the United States has the most laissez faire Capitalist economy must be responsible for the fact that America also has the highest criminal population per capita of any nation. So this economic system must be exploitive to be effective. Two hundred years of Capitalism and common people are still serfs, wars are still fought to protect our "national interests," and the extermination of human beings occurs at ever increasing rates. John Locke, Adam Smith, and Classical economists snuffed out the Age of Enlightenment's candle! They brought human progress to a dead stop.

To make this result possible, however, governments that nominally call themselves democratic have to be corrupted; true

representatives of the people would never allow it. American government has become an establishment oligarchy whose elected officials legislate the protection of the status quo. Attempts to change the system are almost impossible, since the political establishment controls how elections are run and how votes are counted, and the for-profit establishment press controls which candidates the people can even hear. During the French revolution, the press became a fourth estate that reported establishment abuses and supported change; whereas today's American press promotes establishment values and uncritically disseminates governmental propaganda. Truth has vanished. When the CEOs of our financial institutions were being pilloried publicly by a Senatorial committee, not one of these establishment figures had the courage to say, "Yes, we are greedy and took advantage of the opportunities the law provided to increase our wealth and we spent large amounts of money on lobbying the Congress to have these opportunities written into law. But we did not put guns to your heads to get you to take the money or to write the laws. So, Senator, if you want to see the truly corrupted, go to the nearest restroom and look in the mirror." No one asks why Congressmen, many of whom are independently wealthy and who earn well over \$150,000 yearly, need government supported medical insurance and retirement plans when many ordinary Americans lack both. No one asks questions about those numerous Congressmen who employ, in one way or other, relatives. No one asks why millionaire Congressmen expect ordinary people to finance their campaigns or pay off their campaign debts. The only conclusion that can be drawn is that becoming a Congressman is an establishment, economically self-interest vocation. Benjamin Franklin tried to convince the Constitutional Convention that service in Congress should be unpaid. If only he had succeeded.

As though all of this were not bad enough, even religion itself has been corrupted. For about fifteen centuries, the churches in Europe attacked sin. Obedience to the Decalogue and avoidance of the Seven Deadly Sins were promoted. Today the American Christian right, even though it advocates publicly posting the Ten Commandments, has reduced its moral concerns to the outlawing of abortion and homosexuality, the outlawing of which have only a meager Biblical basis and the bedroom is not where most moral issues arise. Yet nothing is ever said about commercial and political violations of the Commandments or the commission of the Seven Deadly Sins.

So the question that economists need to answer is what kind of world do we want to live in? Yet this question is not among those economists investigate. Do we want to live in a world in which human beings exist for the sole sake of institutions or do we want to live in a world in which institutions exist for the sake of human beings? If economists were forced to answer this question honestly, how many would admit that they want the former? And if that is their answer, what can be said of such people? Are they good, honest, and decent people or are they not? I don't know the answer, but some are openly calling them evil. Paul Bloom, a professor of psychology at Yale, has said, "The problem is not that economists are unreasonable people, it's that they're evil people". Economists, of course, will dismiss such comments out of hand, but there are reasons that give them credibility. First, economists are, for the most part, members of the establishment that pursues its own economic self-interest, and many are notorious for having enriched themselves in some rather questionable ways. In fact, Greg Mankiw recommends majoring in economics because of its "earnings premium of 0.33 log points and a premium of 0.19 including occupation controls." Second,

some economists have argued that no system is immoral, only people are, which is a variation on the familiar aphorism used by opponents of gun control: guns don't kill, people do. But although I have not claimed that the economic system is immoral, only that it institutionalizes and promotes immoral behavior, this economists' claim is non-probative. Just as the gun is an instrument which enables killing to be done, the economic system is an instrument which enables immorality to be practiced. But if society wants to reduce or eliminate the killing and people can't be reformed, the only alternative is to remove the instrument, the gun. The same is true of our economic system. If we want a better world for humanity in general, if we want to eliminate virtual serfdom and exploitation, and if we can't harness the greed of economic actors, the only alternative is to remove the instrument by abandoning the economic theory. Otherwise, nothing will ever change and human beings will continue to act in satanic ways.

And most horridly, some economists shamelessly and openly advocate the grossest immorality as a benefit. Nicholas D. Kristof writes, "But while it shocks Americans to hear it, the central challenge in the poorest countries is not that sweatshops exploit too many people, but that they don't exploit enough. Talk to these families in the dump, and a job in a sweatshop is a cherished dream, an escalator out of poverty, the kind of gauzy if probably unrealistic ambition that parents everywhere often have for their children." Apparently, Mr. Kristof never studied logic and has never heard of non sequitur. Asking people who have no alternative is not the way to evaluate a situation. The central challenge to all countries is how to change the established economic system so that people don't have to be placed in the position of having to choose between working in a hazardous dump and something even worse. Having tuberculosis is better

than having lung cancer but neither is commendable. A lesser evil is nevertheless an evil and so is anyone who attempts to justify it. Any person who doesn't understand this needs to seriously reorient his moral compass. It is because of people like Mr. Kristof that Adam Smith's *The Theory of Moral Sentiments* never attained any standing, for a moral theory based on sympathy could hardly influence the unsympathetic.

Is there any real hope for change? Doubtful at best! Those in control, those steeped in immorality and motivated by greed are not likely to support it; they are more likely to resist until they die. Perhaps the only hope, and it may be imminent, is the total collapse of the Anglo-American economy and the horrid consequences that it entails internationally. Should that happen, perhaps the other world will, in revulsion, reject its reconstruction and start anew, making households, not institutions and nations, the beneficiaries of all economic activity, eliminating the prevarication, the greed, the exploitation, the corruption, and the empires which characterize today's world.

## CHEATING IN WORLD MARKETS-- THE FALLACY IN GLOBALIZATION

'Don't buy a pig in a poke' is good advice. The advice being given is 'don't buy a pig until you have seen it'. This is enshrined in British commercial law as 'caveat emptor' - Latin for 'let the buyer beware' A pig that's in a poke may turn out to be no pig at all. If a merchant tried to cheat by substituting a lower valued animal, the trick could be uncovered by letting the cat out of the bag. If you let the cat out of the bag you disclosed the trick and avoided buying a pig in a poke. The advice has stood the test of time and people have been repeating it for five hundred years, perhaps longer. The expression, "Don't buy a pig in a poke" has been used since at least 1530, more than two centuries before Adam Smith wrote *The Wealth of Nations* so he was surely familiar with it. The point is that cheating by merchants has always been a feature of free market economies.

In the sixteenth century, opportunities for such cheating were rather sparse. Most products were fairly simple and could easily be examined. 'Caveat emptor' had some real meaning. Today, however, it is almost impossible for a buyer to exercise any real caution. Products are far too complex; the working parts of many are hidden from view and almost impossible to reveal. Claims of what products can do are impossible to verify before their purchase, and when they don't do what was claimed, the buyer has little or no recourse. Purchasing a product or service today is almost always a crap-shoot. Who knows whether the plumber or even lawyer you hire really knows what s/he is doing? Who can be sure that the car or any other product you buy won't turn out to be a lemon? So again the point is that although cheating by merchants was prevalent in the sixteenth century, it is even more prevalent today.

Make a list: pirated or counterfeit products (how even the businesses who themselves cheat complain about this cheating), contaminated or dangerous products which injure and kill, useless products (products that don't work at all), products designed to fail after short periods of use--any reader can contribute to this list.

And the situation is no different when commerce is international. Not only to the things mentioned take place within countries, they also are found in international trade. Twenty percent of the products imported from China are defective in some way. Who knows what the rate is from other third world countries? No amount of import controls or customs officers could ever identify them all. When such cheating is discovered, it is usually because some injury or damage has already been done, and then, at least for the persons injured or damaged, it's too late.

Economists, on the other hand, when applying their formulas derived from the model known as free-market global capitalism never take this cheating into account, even though the nations subjected to it pay its costs.

Cheating is associated with merchandising for one reason alone--it increases profits (wealth). Those countries whose international merchants are the best cheaters are the ones that will reap the greater rewards of globalization, while those with the worst cheaters, or those that allow themselves to become dependent upon imports, will suffer the worst consequences. In today's world, globalization will not lift all economies equally.

As Ken Coesbouc has put it quite plainly (see *Why Global Trade is Rarely Fair*, "Over the past two centuries a small group of nations has stripped the planet of its productive investments, thereby reducing two thirds of humanity to a hand to mouth existence. This means that the new players of the 21st century can only capitalize at the expense of those nations who capitalized in

the past. . . . By combining 19th century working conditions and 21st century financial tools, a nation comprising one fifth of humanity [China] could put most of the other industrial nations out of work."

How American businesses, even those deeply committed to cheating, believe that they can not only survive but thrive in such a world-wide economy is mind boggling.



## **CHRISTIANS WITHOUT CHRIST HAVE SUCCEEDED AGAIN**

So the Christian Coalition has ousted its newly selected chief. Why? Because he wanted to expand the organization's mission to include things like reducing poverty and fighting global warming.

Now Christ is not reported to have said anything about global warming, and he wasn't much interest in poverty either, was he? Nah! My concordance lists only 37 references to the poor in the New Testament. Heck, that's not many at all.

Are the people running the Christian Coalition so stupid that they don't realize how bad this makes them look? If these jackasses believe that they have attained eternal salvation through Christ, they are in for one gigantic shock when they are asked in the supernatural to explain why they claimed to be Christians while ignoring what Christ taught.

## CONTINUOUS INCOME PRICING

A subtle change has been made to the way people buy and pay for products and services, and this change has not been made for the buyer's benefit.

### The Simple Buyer-Seller Model

This model is the traditional one, and it is the most equitable.

A buyer goes to a seller, selects the product or service wanted, and is given a fixed price which he pays or makes arrangements to pay. The seller delivers the product or service, and the buyer's obligation to the seller is complete at a predetermined time, the time the product or service is completely paid for.

Although many purchases are still made using this model, other models have emerged which place the seller in an entirely different relationship with the buyer. And I suspect that this trend all began with the insurance model.

### The Insurance Model

A buyer goes to a seller, selects the product wanted, and is given a fixed price which he pays or makes arrangements to pay. However, the seller does not deliver the product at the time of purchase. As a matter of fact, the seller, and often the buyer too, hopes to never have to deliver the product. And often, when the buyer asks the seller to deliver the product, the seller does everything possible to keep from doing so. This kind of transaction is not the purchase of a product, but rather the purchase of a potential product, and in order to keep the seller obligated to providing the product when called on to do so, the buyer must renew the purchase regularly. The seller's relationship with the buyer only ends when the buyer gives up his interest in the product. Since the seller may never have to deliver the

product, this kind of transaction guarantees only one thing--the sellers continuous income. I call this model continuous income pricing.

Most people find nothing wrong with this kind of transaction, but the model has been altered into others much more sinister.

### The Utility Model

Telephone companies have used an altered form of the insurance model for a long time. What the buyer purchases is the ability to use a service, but he pays for it regularly whether he uses it or not. The person who makes ten calls a month pays as much as the person who makes a thousand calls. As a matter of fact, the person who makes no calls pays as much as the person who makes a thousand. Clearly not an equitable transaction, but we have all accepted it. And in recent years, the companies have found a way to increase the fee by offering bundled add-on services. You all know what they are--caller id, call waiting, voice-mail, multiparty calling, etc. And when sold, we are told that the bundle is cheaper than the services separately, which is true. However it is only true if one were to buy all the add-ons separately; it may not be true if one buys only a small selection of these add-ons rather than the bundle. This kind of transaction, too, guarantees only one thing--a continuous income for the seller. But we say, ok, it's not too bad, because most of us make enough calls to justify the fee.

Cable and satellite television providers also use this model, but in ways that really seem ridiculous when you think about it.

A basic package is sold which consists mainly of channels hardly anybody wants to watch except occasionally. So the buyer is forced to buy a number of things he knows he is unlikely to use. But whether or not he uses them, the monthly fee has to be paid. Then the basic package is supplemented with other packages

which the buyer is more likely to watch which cost an additional fee. These additional packages consist of more offerings than one can watch in any fixed time-period. So again, the buyer is not only purchasing things that he is unlikely to use, he is purchasing things that are impossible to use. The pricing model exists not to make the transaction between the buyer and seller equitable, it exists to guarantee the seller a continuous income.

### The Revolving Credit Card Model

Banks and merchants offering credit cards have also found a way to put this model to use. They do it by charging high interest rates and requiring only minimal monthly payments, which are calculated in a way that hardly reduces the principal, so that the payments go on and on. In fact, these banks and merchants don't want anyone to pay off the principal, for once it is, their claim on your money ends, so as long as they keep you paying, their continuous income is assured.

### The Individual Retirement Account Model

We are told that IRAs are the key to financial security in old age, and these accounts are sold to us on the basis of average returns of the market over selected periods of time. The model is simple. You make regular contributions which are sometimes matched by someone else, say, for instance, your employer. These funds are then deposited into an account at a brokerage where they are invested in the market. When you reach retirement age, you can then supplement your other income with regular disbursements from your account. All of this seems straight forward enough, but it isn't.

First of all, averages are useless figures. By their very nature, they are the result of a summation of items and then dividing that sum by the number of items. Inevitably, many of the items are greater

than the average, and many, usually many more, are less than the average. So how do you know what return to expect? Are you going to be one of those who get more than the average or one who gets less? There is no way of knowing. All you can do is hope.

When someone is trying to get you to buy into this scheme, all you'll ever be told is what the average return was. But every investor does not make money. Many lose money. How many and how much money? We don't know; the numbers have never been provided. How would you feel about this scheme if you found out that one million investors made  $x$ -dollars and that three million lost  $y$ -dollars? Something like that may very well be the case. We just don't know.

So this, too, is a scheme that guarantees the investor nothing, but guarantees a steady flow of money into the market, where shrewd brokers and professional investors have an opportunity to relieve you of it. And you can be certain that they will if they can.

All the models presented, except the first, are all good for sellers but bad for buyers. Every time you engage in a transaction involving any one of them, you can be certain you're being taken. There may not be any way to avoid that, but you at least need to know it.

## CREATIVE DESTRUCTION AND MORE ECONOMIC NONSENSE

My opinion of classical economics and economists turned sour shortly after I enrolled in my first economics course as a college sophomore. I was not a wet behind the ears recent high school graduate, having recently been discharged from the army after service during the Korean War. People holding positions of authority had to earn my respect, for I had seen too many people from corporals to captains whose incompetence was deadly. So when my professor began to make claims that seemed wrong to me, I vocally questioned them and often posed counterexamples. His arguments were often ineffective, and I once told him that what he had said was "stupid." The class roared, and he threatened to evict me from his class. He didn't and I mellowed my questioning somewhat, but never ceased even though it became obvious that questioning was not encouraged. I Aed that course, not because I accepted what was presented but because the so-called objective examinations favored by professors in the social sciences were so simple minded that a braying jackass could have passed them. About a year later, I met this professor again at a party hosted by some graduate students I had become friendly with. He said, in reference to me, that he was glad to know that there still were students around who were willing to question their professors, and I answered him by saying that he didn't feel that way when it was happening in his class. So much for professorial integrity.

When I was a student, students and professors in Arts and Sciences did not hold the social sciences in high regard. Social science courses were thought of as crip, and they drew hoards of weak students looking for easy As. The sad fact is that those who went on to major in some social science were students who were

drawn from these courses. Of course, not all those students were weak; there are always exceptions, but the social science departments abetted the attraction of these weak students by asking other academic departments to offer special, watered down courses for their majors. The mathematics department, for instance, had to offer a "statistics for social science majors" course. Required readings in these courses almost always were found in textbooks; readings from original sources were almost never required.

Someone will say, of course, that this is a mere anecdote, which is true. It has no probative value. But this anecdote is not all there is. Adam Smith has had a vast, but not total, influence on Classical Economics. He was a professor of moral philosophy, and any serious student of philosophy who has read Smith's philosophical works knows that he was not a first-rate thinker. In fact, philosophy curriculums almost totally ignore him. How such a mediocre thinker's work should have become so influential is a mystery, unless those who thought him "brilliant" were themselves not very bright or because they found his theses useful in promoting their own economic beliefs for good or evil. Raising serious questions about the validity of most of his theses is easy. But there is more, lots more.

Read the daily postings on [economistsview](#) and notice how much controversy exists among economists on almost every issue. Similar controversy doesn't exist among mathematicians, chemists, physicists, and astronomers or the people in any of the true sciences. While reading these posts, count the number of times the words "believe" and "opinion" are used and how rarely the words "know" and "known" are used. These controversies indicate that not knowledge but ideology is at work. These economists are "true believers" who accept certain economic writings as holy writ, and all of this holy writ is summarized in

the textbooks mentioned above. Greg Mankiw has even stated that the purpose of a textbook is to present "the consensus" of views even though a consensus is not only often wrong but can be altered by altering the list of the people asked. Given the controversy evident among economists on issues, only a fraud can claim to have found a consensus.

But the most probative evidence comes from an analysis of the theorems economists uncritically adopt. I have previously argued that comparative advantage is an entirely unworkable principle. It requires enormous amounts of data from many nations, all of which is always out of date. Even if the data shows that one country had a comparative advantage when the data was collected, there is no way of knowing that the comparative advantage still exists. After all, things change. Comparative advantage is also what mathematicians call a transitive function. If country A has a comparative advantage over country B, and country B has a comparative advantage over country C, then country A has a comparative advantage over country C. It would then be logically possible for one country to have a comparative advantage over every other country in the production of some product. But if every other country decided not to produce that product any longer and instead buy it from the country with the ultimate comparative advantage, the price of the product would increase so much that the comparative advantage would disappear. In other words, the principle reduces itself to a logical absurdity.

But given the current possible worldwide collapse of financial markets, consider Joseph Schumpeter's principle of creative destruction. The Economist recently wrote that Schumpeter "argued that recessions are a process of creative destruction in which inefficient firms are weeded out. Only by allowing the 'winds of creative destruction' to blow freely could capital be



released from dying firms to new industries." Strange as it may be, I find no such argument in Schumpeter.

He writes, the "kind of competition which counts [is] the competition from the new commodity, the new technology, the new source of supply, the new type of organization. . . . It is hardly necessary to point out that competition of the kind we now have in mind acts not only when in being but also when it is merely an ever-present threat. . . ." And "This process of Creative Destruction is the essential fact about capitalism." (*Capitalism, Socialism and Democracy* (New York: Harper, 1975), pp. 82-85) Notice that the words "recession" and "depression" do not appear in this passage.

Although there is something true in Schumpeter's insight, it is also highly misleading. If you look at a list of all inventions since 1800, there are not many that no longer survive in one form or another. The telegraph disappeared when the telephone was invented, but American Telegraph and Telephone still exists. The typewriter disappeared when the personal computer was invented, but many companies that previously made typewriters still exist, having switched their production to computers and computer peripherals. Brother is a good example. The invention of the vacuum cleaner did not eliminate the broom. The fluorescent light bulb has not eliminated the incandescent, and most of the companies that originally made only incandescent bulbs now also make fluorescent ones. The electric shaver has not eliminated the safety razor. The air conditioner has not eliminated the fan. Television has not eliminated either radio or motion pictures. The microwave oven has not eliminated the convection oven. In most of these cases, although a few companies succumbed, the others merely adapted, and there is no way to prove that those that succumbed wouldn't have succumbed if the new technology hadn't appeared.

What is more interesting, however, is whether what was created was in all respects better than what was lost. Consider the invention of the airplane and its adaptation to trans-oceanic passenger conveyance. The airliner certainly did away with the ocean liner. But one can argue over whether the change was a great benefit to humanity. For when the ocean liner succumbed to the airliner, the ambiance of trans oceanic travel was also destroyed. So was the craftsmanship that built the elegance found in ocean liners. The airliner took travelers out of an elegant, relaxed, social environment and stuffed them like small fish into a sardine can in the sky. Is that really a benefit? So even when Schumpeter is read properly, what is destroyed may have been better than what is created. So if creative destruction really is the essence of Capitalism, Capitalism may be worse than even anti-capitalists believe.

Economic downturns, recessions and depressions, are not part of Schumpeter's principle of creative destruction. They are merely unnatural catastrophes, and like natural catastrophes, they are merely destructive. Sometimes the destruction gets rebuilt to its former greatness; sometimes not. Sometimes it never gets rebuilt at all. And although Schumpeter did say, "For capitalism, a depression is a good cold douche," anyone who has spent time among good professors knows that they will often utter the most outrageous things to provoke their students into a response. So just because Schumpeter did make this statement doesn't mean that he considered it to be part of the principle of creative destruction. To make that jump is simply a bad inference. But classical economists make those all the time. So although economists claim to be engaged in a rational enterprise, they themselves are not clearly rational.

## DANGER AT THE BOTTOM

Right on, Scott. Two kudos for Danger at the Bottom (Dallas Morning News). But isn't it odd that you should have to display this exercise in simple arithmetic to a supposedly literate nation whose economic leadership, both in government and business, displays such august credentials? Isn't it obvious that the disposable income of consumers cannot be reduced without reducing the consumption that seventy percent of our GNP relies on? And isn't it also obvious to our business sagamores that profits falter when consumption falls? I was tempted to give you three kudos for this article, but something is missing.

For many years, I engaged in competitive ballroom dancing. We dancers have a rule, viz., don't tell me something is wrong unless you can tell me how to fix it. Well, you haven't told anyone how to fix it.

Some months ago, I came across the Tax Foundations ranking of states having legal systems and taxes that are favorable to business. Just looking at it caused me to suspect chicanery, so I pulled down my latest almanac and plotted these rankings against per capita income by state. Guess what I found! States with high rankings on the Tax Foundations list have the lowest per capita income while those with low rankings have the highest; the slopes of the lines are in opposition.

There is an old maxim, illustrated by the gold-rush days, that businesses follow the money. Businesses rushed to places where gold was discovered, stayed until the gold ran out, and then promptly left. No money, no sales; no sales, no profits. Simple as that.

So how do we fix things. Abandon our business friendly, conservative outlook which has corrupted both business and

government and is leading this nation to ruin. That's the part you omitted.

## DEMOGRAPHICS AND PROSPERITY-HOKUM!

I came to Texas about 15 years ago fully aware of the myths Texans circulate about themselves, especially the myth that Texans value their freedom and independence. After a few months, however, it became clear to me that this myth was only as true as the myth of the Golden Fleece, for every two years these Texans line up as quietly as lambs to be sheared by their legislators who call themselves representatives of the people but openly and shamelessly promote the welfare of special interests over those of their constituents. And after having lived in seven other states and two foreign countries before moving here, I can say without qualms that Texas is the most poorly governed place I have ever lived in and that Texans are the most sheep-like people I have ever lived among.

That the Texas government is corrupt is, of course, no surprise. I suspect that all governments are to some extent. What does surprise me, however, is the silence from prominent Texans who would normally be expected to expose the corruption.

Recently, for instance, I read an article about some legislator who wanted to enact a law that would bleach the history taught in Texas schools of its blemishes. Then I never read another thing about it. I don't know what happened. Did it pass? Was it defeated? Was it dropped?

But when I read that article, I asked myself, Where are the professors of history in the state's prominent universities? So far as I can tell, not a single one of them spoke out against the measure. The same question can be asked about the presidents of these prestigious universities, the Texas Historical Society and numerous others. Do the history professors in these institutions want students coming to them with their minds filled with not the truth, not the whole truth, and everything but the truth? Do

they want to spend their time disabusing their students of these myths, or are they going to reinforce them, and thereby reinforce the lies? Or are these professors just as sheep-like as their red-necked fellow citizens? Whichever answer you select, it's not pretty.

By now you're asking yourself, Why is this guy sending me this message? The answer lies in the article headlined "We are becoming poorer" published in this morning's Dallas Morning News.

The tone and the logic of the article don't mesh. The article's tone, which is what most readers will hear, is that increasing poverty in Texas will be the result of its changing demographics, a term I read as an euphemism for Hispanic influx. The readers who get this message will decry the influx and promote prejudicial attitudes, neither of which will do anything to improve the economic status of Texans, even though the article's logic does not support the conclusion that changing demographics are the cause of increasing poverty among Texans.

The logic is really very simple: Texas has never been a prosperous state. Changing demographics will make Texans less prosperous. Although this is probably true, it's meaningless. It says nothing about the cause of the lack of prosperity and does not imply that the cause is demographic change. To make that argument, it would have to go something like this: Texas was once a prosperous state. Then demographic changes occurred, the result of which was that the prosperity was lost. But that's not your argument, is it?

If Texas was never prosperous, it is doubtful that its demography has had anything to do with it. The truth is that Texans have never been, are not now, and most likely will never be prosperous, because the policies enacted into law by Texas' politicians are not likely to change and do not promote prosperity. Unfortunately,

no one in a position to influence public opinion is enough of a goat to stand up and say so.

The addendum to your article tells me that you are the director of the Center for Economic Development and Research. But unless you are willing to sprout some horns and do a little bucking, you are wasting your time. No development you promote will be enough to change anything and your research will be nugatory.

It is well known that the American economy is consumer driven, and the Texas government derives its income from consumption taxes. When people have little to spend, consumption is middling at best, and when consumption is middling, so are tax revenues. Under these conditions, no state service can be adequately supported. Not the schools, the hospitals, the highways, the police, the prisons, the courts, . . . Yet the policies enacted into law by so called conservative legislators are the culprits.

When Texans pay the highest insurance rates in the country, Texans have fewer dollars to spend in Texas stores. When policies enacted into law help businesses keep wages low, per capita income, consumption, and governmental revenues are all also low. When the needy receive only a pittance, a pittance is all they spend. Prosperity is impossible under these circumstances.

So if you want to promote prosperity in Texas, changing demographics is not what should be on your mind. Finding ways to change political attitudes should. But alas, I suspect that requires a metamorphosis from a sheep to a goat. So I would suggest that you either grow some horns or give it all up. Why keep a job you know you're going to fail at?

## **DEREGULATION AND AMERICAN BUSINESS - AN ENDEAVOR JUSTIFIED BY A LIE**

Deregulation of businesses in America is promoted as a way of increasing competition and, as a result, of lowering prices. It's an old argument that goes back more than 300 years. In the 17th and 18th centuries, it may have been valid. Today it is not. Numerous counterexamples exist.

AT&T, Ma Bell as it was known, was broken up in 1982. This breakup promised increased competition and reduced telephone rates. Well, we certainly got the competition. What happened to the rates? If anyone in America is paying less for telephone service today than s/he was paying in 1982, s/he must have cancelled telephone service.

This counterexample proves that the argument cited above is invalid. Competition does not always lead to reduced prices, pure and simple, because the products themselves can be embellished by bells and whistles and even only apparent bells and whistles that the seller can then charge more for. In the 17th century, if a community had three chairmakers, the price of chairs most likely was less than it would have been if there had only been one chairmaker, because chairs were relatively simple and pretty much all alike. That is no longer true, and this change has made the argument for competition invalid.

Deregulation of the airline industry has had even worse consequences. Not only have airfares not been reduced, most airlines are in deep financial trouble, some in bankruptcy, and others on the verge of it.

But, of course, the supporters of deregulation won't admit the argument's invalidity. The argument now has become that prices are less than they would have been if regulation had remained in place. This argument, always made by someone associated with a



deregulated industry whose prices were not lowered by deregulation, is a red herring. Nobody knows what prices would have been if.

The argument assumes that the regulations that were in place before deregulation would have remained constant had deregulation not have taken place. But that assumption has no justification whatsoever. Legislators love to change regulations, especially if they fail to satisfy the public.

Four years ago, the electric industry in Texas, which had until then functioned as a public utility, was deregulated with all of the promises of better service and lower rates. Of course, neither has materialized. Instead, there have been a number of scandals involving the company operating the Texas electrical grid, and Texans are now paying some of the highest, if not the highest, electricity rates in the country, and the differences in rates between the competitive providers is negligible. But nevertheless, Mr. M. Ray Perryman, CEO of The Perryman Group, an economic and financial analysis firm, makes the less-than-they-would-have-been argument both on his web site and in the Dallas Business Journal. Supposedly a trained economist, he ought to know better.

What does he cite as evidence?

1. more than 2 million electricity customer switches have been completed. (What a dog of a construction. Perhaps he flunked English composition.)
2. 1,900 megawatts of electric capacity have been added by wind-power generation plants over the last four years.
3. the amount of metric tons of emissions from electric utility facilities has dropped dramatically (no figures supplied).
4. more than \$11 billion has been invested in new plant in potential capacity now in various phases of implementation.

5. He also cites a multitude of dollar values that have resulted in a stimulus to the states economy but doesnt tell us how these figures were arrived at.

What he doesnt claim is a reduction in rates. As a matter of fact, he admits the opposite, justifying the increases with the would-have-been argument.

Now look at Mr. Perrymans claims. They prove nothing.

So what if a lot of customers have switched? Have they benefited with lower prices? So what if new capacity has been added? Has it increased supply enough to reduce rates? Nothing prevented electric companies from providing this capacity under regulation? And his claim that toxic emissions have been reduced dramatically is dubious at best, since Texas has some of the worst air pollution problems in the nation, and no dramatic reduction of that pollution has been evident. Of course, again Mr. Perryman doesn't tell us what was measured, how it was measured, when it was measured. Everything Mr. Perryman cites amounts to nothing more than what is known in logical studies as a giant non sequitur. Any careful thinker who reads Mr. Perrymans words would have to conclude that he is engaged in nothing more than self serving propaganda, as are so many people in so called American think tanks, business organizations, and government service these days.

It seems that Americans live in a nation of lies, propagated by liars who believe that suckers are born every minute, and who pick the pockets of the public while claiming to be do-gooders. But in spite of all the propaganda, the bottom line is that Texans are paying more, a lot more, than they paid for electricity before deregulation, that the competition has not resulted in reduced rates, and that Texans are poorer because the industry was deregulated. And I challenge Mr. Perryman to refute this.

## DESPOTISM, NEOLIBERALISM AND THE “CHILEAN MIRACLE”

I often wonder what goes through the minds of Americans when they hear or see the word ‘science.’ American culture is totally irrational, anti-intellectual, and creedal. Perhaps other cultures are too.

Americans, even supposedly educated ones, believe the damndest things. Many believe that immunization spreads disease, that mankind’s activity has no effect on the climate, that evolution doesn’t take place, and, oddly enough, that science will solve all our problems. Evidence to the contrary doesn’t influence these people. They are immune from learning.

This creedalism also afflicts our institutions of learning. Alternatives to what Americans call democracy, even when it obviously doesn’t work, are absent from political science curricula, very good professors of mathematics are sometimes believers in creationism, subjects that are totally unscientific are sometimes called sciences. A religion in America exists that is named scientology!

When the Russians launched Sputnik in 1954, Americans went into crisis mode and began programs to expand the teaching of science in schools everywhere. But the results have been meager. For the most part, Americans are no more scientific today than they were in 1954.

A scientific mindset can be characterized as an insistence that claims be supported by verifiable evidence. Anyone who accepts or promotes claims that cannot be so supported lacks a scientific

mindset. Few in America, even those who hold the highest offices, have such mindsets. Recently I heard President Obama claim that 99% of the world's Muslims do not support the Islamic jihad. With more than a billion Muslims in the world located on different continents in different countries, how could he have enough evidence to support that claim? The President lacks a scientific mindset. His claim is nothing more than wishful thinking expressed in an attempt to convince the world that the War on Terrorism is not a religious war.

But much of this anti-intellectualism stems from the true and most fundamental religion of America. No, it is not Christianity. Christ was expelled from Christianity in Christendom a long time ago. The Christ child was removed from His manger and replaced by a dwarf dressed in a Santa Claus suit. The worship of Mammon became the religion of the West. Christ's birth is now celebrated in an orgy of commerce. Scientific knowledge is ignored whenever it conflicts with this fundamental religion. In America, the market is the altar on which Americans worship their god, Mammon, and Americans fight wars and engineer regime changes to proselytize the world. Convert to a belief in Mammon or die is America's marching slogan.

Chile, like the other countries with capitalistic market oriented economic practices, struggled for generations with economic results that could never provide its citizens with their most fundamental needs.

In 1970, the Chilean people elected an openly socialist government hoping to finally bring about change. The conservative reaction was swift. With a large handful of help from the C.I.A., a military coup d'état overthrew the government

in September 1973 and installed a despotic government headed by General Augusto Pinochet who was not a nice man. During his short seventeen year reign, thousands were killed and many simply disappeared. But he made a significant contribution to Chile's economy. He began the Chilean Miracle.

Pinochet asked America economist Milton Friedman for economic advice. Friedman wrote Pinochet a letter to comply with the request. He wrote that the key economic problems of Chile clearly were inflation and the lack of a healthy market economy – standard free market dogma. Friedman has not come to be known as an original thinker. He stated that “There is only one way to end inflation: by drastically reducing the rate of increase of the quantity of money” and that “cutting government spending is by far and away the most desirable way to reduce the fiscal deficit, because it . . . strengthens the private sector thereby laying the foundations for healthy economic growth.”

As the European Union is learning, this advice takes an economy down the road to despairity, not prosperity. And so it has come to pass in Chile.

“For 30 years Chile has been a laboratory for free market economics, with privatised pensions and even a school voucher system designed by Milton Friedman, the godfather of Chicago economics, who once described Chile's success as a miracle. Yet now Latin America's most prosperous country may be reversing the experiment, to the consternation of free marketeers everywhere.”

Although the Chilean Miracle has reduced Chile's recorded poverty rate from 60 per cent to 9 per cent, it has done so at the cost of unequal income distribution, among the region's worst. So

it is again obvious that Capitalism always enriches the wealthy at the expense of everyone else. It bifurcates societies into haves and have nots which then are always in conflict with themselves.

That similar results have come about over and over again in history should have lead economists with scientific mindsets to reject Capitalism's free market principles. That they have not rejected them demonstrates that they all lack a scientific mindset.

How could it ever be otherwise? The inherent contradictions of Capitalism necessitate this result. In America, merchants are legally allowed to lie when attempting to sell products and services. Puffery is a well-established legal doctrine. Yet what it does is legalizes theft by deception. Inducing a person to buy snake oil is just as much stealing as picking his/her pocket. The "general welfare" can never be attained in such a nation. Show me the argument that leads to the conclusion that a nation can attain a state of prosperity by allowing its people to steal from one another. Yet that is what American market Capitalism does. Friedman's reforms in Chile did the same thing.

Four years ago in the state of Arkansas, a businessman who owns a large number of fast-food franchises ran for governor. A main plank in his platform was that Arkansas lacked a sufficient number of high paying-jobs, a problem which he would address. No one seemed to notice that he could have addressed that problem without running for office by simply giving his employees hefty raises. He lost the election and never raised the wages of his employees. He did nothing. The much vaunted Private Sector never does anything to address human issues.

No economist seems to recognize that the most effective way to stimulate an economy in the doldrums is for businesses to hire the unemployed or increase wages, something the private sector can easily do but never does. Jefferson was right when he wrote that merchants have no country. They also have no humanity.

The myths that culture's build on are also those that destroy them. The world changes but the myths don't. True believers never change. They are to stand up for their beliefs and they do. And sometimes they die!

Stand up for your beliefs is the worst piece of advice a person can receive. Better to question them.

Paul Krugman has called Milton Friedman a great economist and a great man. Similar things have been said of Billy Graham. Neither is great in any way. Both are purely conventional dogmatists.

Faith, whether in God, the market, war, a specific form of government, or anything else, is always a mask worn to disguise ignorance.

## DISMAL SCIENCE OR JUST PLAIN STUPID PSEUDOSCIENCE

Yves Smith writes, "I've been meaning to discuss how increased income disparity is bad for economic growth, because in the end you wind up with insufficient labor income to fund consumption . . . and too much capital chasing too few investment opportunities. . . . It turns out I was beaten to the punch by nearly 50 years [since]. . . former Fed chairman Marriner Eccles . . . links the consumption shortfall directly to a shift in wealth towards the top. And some of the other patterns of the Twenties, such as debt-fueled growth, are worryingly familiar." Strange how Robert Reich and other economists should be pointing this out now, especially since the shift in wealth towards the top and debt-fueled growth have been going on for at least three decades. What good are economists who don't raise policy issues before their disastrous effects happen?

What FED chairman Eccles described are simple mathematical results. An economy, regardless of the economic theory that governs it, consists of workers employed by enterprises that produce goods and services for sale either domestically or internationally. The value of the products and services sold must equal the sum of the wages paid to workers, the overhead of the enterprises, and their profits. If all the products and services are sold, the sum of the incomes of the buyers must equal or surpass the value of the products and services, for if the sum is less, the products and services could not have been bought (unless the shortfall were met by borrowing), in which case the economy would have to shrink. If the shortfall were met by borrowing, the future incomes of the buyers would have to be sufficient to both buy additional products and services and service the debt. The result is that in the absence of growing wages, buyers will



eventually reach a point where they can neither continue their levels of consumption nor service their debt, and the economy ceases to function.

The American economy has been characterized over the past several decades by policies that were bound to produce this result. First, American companies shifted a great deal of manufacturing offshore. Second, they created conditions designed to hold down wages. Third, they made borrowing easy but expensive.

The first of these made consumption the economy's driving force (perhaps 70% of the economy is consumption driven.) If the borrowing had not been made easy, consumption, and the economy as a whole, would have collapsed because of the restraint on wage growth that resulted from the second policy. But given that restraint, the debt assumed by consumers had to eventually reach a level that made it unserviceable. The only possible result of these policies is an economic collapse.

That economists could not have foreseen this consequence is incredible.

## DISINTEGRATING ECONOMIC RECOVERY

The word 'recover' always has the connotation of "getting back." But who is going to get back what when the economy "recovers"? Few at most. So what does an economic recovery look like? No one knows. The word 'recovery' can not be applied to objects willy-nilly. A sick person goes into the hospital to recover; a broken automobile is taken to a shop to be repaired. Automobiles do not recover. Neither do economies; they can only get better or worse, and specific information is needed to determine which. Few people realize just how close to the edge of disintegration America is. The Congress meets for one purpose and one purpose alone—to get reelected. The political posturing begins the day after each election, while the nation's problems go unaddressed, and our media aid and abet the posturing. Such is America today. This recession/depression will never "recover." Neither will America.

That successful, inveterate liars consistently use a specific group of practices has been known for ages. They, for instance, give long winded answers to questions to distract and confuse the questioner, make assertions that can't be easily refuted, and keep from saying very much that is specific, making it difficult to confirm or refute details. One prevalent way of doing this is to speak metaphorically.

Those of you old enough to remember the Vietnamese War may remember that whenever General Westmorland was asked how the war was going, he usually replied that there was "light at the end of the tunnel"

Of course there was; there is light at both ends of every tunnel. But no one ever knew which end he was talking about or if we were getting any closer to the end that would get us out. We all now know, of course, that we were not. Telling us that there was light at the end of the tunnel told us nothing at all; yet many were led to believe that “there is light at the end of the tunnel” was synonymous with “we were getting closer to victory” even though there is absolutely no logical relationship between these two assertions. Why did Westmorland always answer this way? The only reasonable answer is to avoid telling the truth. Likewise, President Obama is addicted to vapid metaphors: the US still has a “big hole to fill,” “Headwinds” from the first half of 2011 are holding back the recovery,” “There are going to be bumps in the road,” and “on the right track”

The hole that needs to be filled is the lack of specificity in his speeches, but let’s just consider the ubiquitous “on the right track.” It’s very similar to “light at the end of the tunnel.” A train, for instance, can be on the right track but be going nowhere or perhaps even going backwards. When a train is on a siding, isn’t it on the right track? What does this metaphor tell anyone? What kind of evidence could be cited to refute it? It’s one of those perfectly safe, empty claims that people trying to hoodwink others make all the time.

But what has all of this to do with “recovery”? Well, just take a look at how the word is ordinarily used.

“My neighbor has recovered from pneumonia” usually means his previously impaired lungs are now working normally. They have gotten their normal functionality back.

“The police have recovered my friend’s stolen property” usually means that his property has been returned to him. He has gotten his property back.

“The speculator recovered the money he lost” means that he got the amount of money he lost back.

The word ‘recover’ always has the connotation of “getting back.”

But who is going to get back what when the economy “recovers”? Are the people who lost their homes going to get them back? No. Are the people who lost their jobs going to get them back? Not likely. Are the people who lost their savings for retirement going to get them back? Some may; most will not.

So what does an economic recovery look like? No one knows. If the employed population rises to 94%, will the economy have recovered? What if the workers’ total compensation is only half of what it was before the recession/depression? Will it still be a recovery?

What if GNP exceeds the GNP before the downturn but employment only rises to 85%? Will that be a recovery?

What if the Dow goes to 50,000 but the average wage is only \$4.00 and people are starving? Will that be a recovery?

You see, the word ‘recovery’ when used in relation to the economy is just another vapid metaphor. It means nothing. It means whatever anyone wants it to mean. It is not used to describe anything real or concrete. It is used to pull the wool over

people's eyes, to get them to believe what the speaker wants them to believe. If he wanted to tell you the truth, he'd use more specific words, such as, "a few more people are employed today than a month ago." "The Dow is somewhat higher today than it was last quarter." "The average wage is \$5.00 less today than it was last year." If anyone ignores the last of these, he could say the economy is recovering. But could he say that if he takes the third into consideration?

The word 'recovery' cannot be applied to objects willy-nilly. A sick person goes into the hospital to recover; a broken automobile is taken to a shop to be repaired. Automobiles do not recover. A diseased tree can be treated and recover; a broken stone cannot. An erroneous calculation can be corrected; it cannot recover. Neither can economies; they can only get better or worse, and specific information is needed to determine which.

When people don't want you to know the truth or even what, if anything, they're talking about, they use abstract words and metaphors. Looking carefully at the words people use is a sure way of identifying scoundrels. I am no oracle; I don't have the slightest idea of what the President is up to. But I do know he's not being honest with the American people. Neither are the members of his Cabinet or even the Congress.

Few people seem to realize just how close to the edge of disintegration America is. Engineers have been warning us for decades about our collapsing infrastructure. This year's floods have demonstrated just how fragile our earthen dikes are. We have chosen the inefficient automobile as our basic means of transportation, but we lack the money to maintain our highways. Mr. Obama has recently spoken of building bullet trains while

even our present railway system is slow and unsafe as two fatal accidents this week alone show. The war on drugs has been a monumental failure; yet we persist on fighting it. Even Congressmen admit that our government does not work.

The President last year initiated a “race to the top” in our public schools; today teachers are being laid off for lack of funding. Up until 2008, many people had lost confidence in all of our institutions except the financial system, but even that confidence has now evaporated. Given the number of people Americans have incarcerated, this nation must be either the most crime ridden the world has ever seen or the most repressed. Homeland Security has done little but annoy people; yet it refuses to change its policies. Two years ago, the Democrats enacted a comprehensive health care bill; today the talk is about reducing its benefits. Our once mighty manufacturing base has been dismantled; yet the government wants more free trade agreements to increase exports. State governments are too impoverished to continue providing even basic services. The number of homeless, impoverished, and hungry Americans is increasing. The number of employed along with their wages is declining. Our superbly equipped and trained military forces have not won a major war since World War II; yet we continually engage them. I suspect the greatest contributor to GNP is political contributions, sanctioned by the Supreme Court, made to buy off our representatives. The Congress meets for one purpose and one purpose alone – to get reelected. The political posturing begins the day after each election, while the nation’s problems go unaddressed, and our media aid and abet the posturing. Such is America today. This recession/ depression will never “recover.” Neither will America.

## DO CULTURAL CONSERVATIVES ESTABLISH THE NORM IN AMERICA?

While reading your piece, Cultural Conservatives Actually Represent the Norm, I was struck by the following inconsistency that leads me to believe that you are totally disingenuous. You wrote, liberals rarely try to reason with us in an article that contains not a single instance of a rational argument.

That some belief is the norm does not constitute a rational argument for it's correctness or rightness. Once the norm was that everyone believed the sun revolved around the earth. How Galileo paid the price of being different; yet Galileo was correct. It was once normal to believe that slavery was acceptable and not morally wrong, but that normal belief was wrong too. More recently, normal belief in America was that if Viet Nam fell to the Viet Cong, all of Southeast Asia would too. That belief was named the domino theory. It too was false. So arguing that something is normal is not rational. It is, in fact, a claim of the ignorant.

But what strikes me as most disturbing about those who take your point of view is the lack of specificity in your claims. I don't know who the liberals are that you're talking about. But what is more important, I don't know what you're talking about when you talk of moral values. You specify abortion, stemcell research, and homosexual marriage--each associated in some way of another with sex. And I don't know what moral system such claims are based upon. Certainly not either of the two commandments of Christ. Certainly not the Ten Commandments. Sex isn't mentioned there, unless you read the commandments about adultery and coveting as sexual. But neither of those seem to justify the claim that abortion, stemcell research, and homosexual marriage are immoral as long as aborting a fetus in

not viewed as murder. And I, as someone who would ordinarily be called a liberal, although I have serious reservations to the application of that term, have serious qualms about the morality of abortion too. But I have none about stemcell research and homosexual marriage. I don't see them as moral issues at all.

I am concerned, however, about your pick-and-choose morality. Oh, you don't care about lying? That is rife in American politics, but you don't object. You don't care about corruption? That, after all, is a form of theft, and American politics is full of it. Isn't the visitor's gallery in the Texas legislature called the owner's box? But you don't object to it. And although you claim to care about the rights of the unborn, you seem not to care a whit about what happens to them after they are born. It's okay if they don't get prenatal care, it's okay if they are born into poverty, its okay if they lack access to medal care, its okay if they are given inferior educations, its okay if they survive on inadequate diets. I could go on and on. So, I have concluded that your moral claims are disingenuous. You're the pot calling the kettle black.

Think about it. For centuries Christianity was characterized as opposition to behavior that committed any of the Seven Deadly Sins. If you dont know what they are, you ought to look them up. Tradition had it that the commission of any one of those Deadly Sins would consign one to eternal damnation. Thus the use of the word, deadly. Americans today seem to have converted those seven sins into the Seven Virtues to Live By. That being so, we can hardly call this a Christian or a moral nation, and it matters not what people claim to be or how often they go to church. What matters is what they do. That we have converted these sins into virtues is also what gives rise to the Moslem claim that we are the Great Satan. If we took a close and honest look at ourselves, perhaps we would agree.



## DOES TAXATION FAVORABLE TO BUSINESS INHIBIT PROSPERITY?

The Tax Foundation is a research organization based in Washington, DC whose mission "is to educate taxpayers about tax policy and the total tax burden borne by Americans at all levels of government." It was founded, in 1937, when "a small group of business executives gathered in New York City to discuss how they could monitor fiscal activities at all levels of government and convey the information to the general public. They decided to launch an organization which, through research and analysis, could inform and educate Americans using objective, reliable data on government finance. . . . In its six decades, the Tax Foundation has earned a reputation for its independence in gathering data and publishing information on the public sector in an objective, unbiased fashion. [Quoted from the Foundations Web Page]"

There is, of course, good reason to view this statement as mere self-promotion, because if anyone reads the commentaries posted on the foundation's web site, s/he will come away with a clear sense of a rightish inclination. Furthermore, the posted biography of its director says that "Mr. Hodge was Director of Tax and Budget Policy at Citizens for a Sound Economy. . . . spent ten years at The Heritage Foundation, . . . [and] helped found the Heartland Institute one of which has a reputation for objectivity." Mr. Hodge also is not a highly trained economist, having earned merely a bachelor's degree in political economy from the University of Illinois at Chicago. Since the foundation does not post biographies of its staff, the extent of their educations and political inclinations is difficult to determine except by inference from the commentaries they have written.

The foundation also claims that it provides Americans with a better understanding of their tax system and the effects of tax policy. Whether it provides Americans with a better understanding of their tax system depends, I suppose, on how many Americans read its publications. But at least one of its publications fails entirely to expose the effects of the tax systems it analyzes.

Recently I came across a reference to the foundation's State Business Tax Climate Index that aroused my curiosity, so I visited the web site ([www.taxfoundation.org](http://www.taxfoundation.org)) and downloaded the study. After reading it, I was surprised that the study contained no mention of the effects of business-friendly tax policies on the economies of the states that enacted them. So I decided to see how such policies correlate with per-capita income by state.

Although the study I downloaded was for the year 2004, it fortunately also contained the rankings for 2003, the latest year for which I could find per-capita income data. I took the 2003 data and did a comparison using Microsoft Excel, and the result was shocking. Not only do the data not support the view that business-friendly tax policies improve the economic well-being of the citizens of the states that adopt such policies, it seems to contradict that view. The graph shows that, generally speaking, the states with the least friendly business tax policies enjoyed the highest per-capita incomes and that the states with the most friendly business tax policies had the lowest per-capita incomes. Thus graphs of the rankings have an inverse relationship to the graph of per-capita income. (If you would like to see the Excel document with the data and graphs, let me know, and I will e-mail it to you.)

After making this discovery, I sent the foundation the following message:

"I read your study, Study Reveals Which States Have Business-Friendly Tax Climates, Which Don't , and immediately wondered how these rankings compare to each state's economic prosperity. Law makers at state and local levels imply with their words and actions that business friendly tax climates contribute to an area's prosperity. That has always seemed to me to be dubious, since I am of the opinion that business follows the money, as the aphorism goes, and by money I mean consumer purchasing power.

In justification of this belief, I have always cited examples from the Gold Rush. Businesses flocked to discovery sites, no incentives were required to get them to do that, and they left when the gold ran out.

So, since my 2005 almanac contains only 2003 state by state per capita income figures, I took your 2003 ratings and compared them to per capita income by state. The result was revealing, since the relationship was inverse rather than direct. Can one then draw the conclusion that business friendly taxation actually inhibits prosperity? If so, somebody should tell all of America's law makers about it.

Having discovered this tidbit, I then decided to run the same data against the data in your second chart. Here is a summary of my results (keeping in mind that your data were for 2004 while my per capita income data were for 2003):

Unemployment Insurance Index to Per Capita Income Direct but not synchronous

Fiscal Balance Index to Per Capita Income Direct but not synchronous

Overall Rank to Per Capita Income Inverse

Individual Income Tax Index to Per Capita Income Inverse

Corporate Income Tax Index to Per Capita Income Inverse

Sales & Gross Receipts Tax Index to Per Capita Income Inverse

This indicates to me that there is no relationship between tax policy of any kind and prosperity measured in terms of per capita income. So I wonder why you haven't told the world about this? Surely, someone in your organization must have had the same curiosity that I had. If not, you guys are in deep trouble. So tell me, what's going on?"

When a week went by without a reply, I sent another message: "I'm surprised that no one from your organization has replied to this message which I sent last week. After all, the results I describe, at least by implication, impugn your organization's integrity, and I would imagine that you would want to defend yourselves. But perhaps you realize that there is no defense and your silence is an admission of fault. It can certainly be construed as that, can't it?"

No one at the foundation has ever replied.

So what conclusions can be drawn? Well, the fact that the foundation has not seen fit to show the relationship of the rankings to per-capita income implies that the data on income was deliberately excluded because it serves as a counterexample to the foundation's position. And thus, this omission makes a mockery of the foundation's claim to being objective and unbiased.

So this data convinces me that the Tax Foundation is not only not unbiased and objective, it even fails in its mission to convey truthful information on taxes and their effects to the American public. And in that sense, the foundation is neither a research nor an educational foundation. It is merely a fraud issuing propaganda under the guise of a research and educational entity. That the relationship between tax policy and per-capita income is in general inverse is an important fact that needs to be publicized. The American people need to know it, and they need to make it known to their lawmakers too.

## DUMB CLAIMS THAT GO UNQUESTIONED

Some claims and arguments have been uttered so frequently that most people accept them at face value as though they were self-evident truths even though they are really self-evident fictions. Consider these, for example:

Claim One:

"The directors of a firm are ultimately responsible to one group--the shareholders."

According to Milton Friedman, *The business of business is business* (1970), originally Calvin Coolidge (1925). Friedman says that a business is only responsible to its shareholders, and its prime concern is to make as much profit for them as possible though, he does recognize the need to play by the rules.

But the claim is false on its face. For instance, companies are clearly restricted from injuring the nation, its society, and its people in many ways. These restrictions clearly imply responsibility to others that is much broader than a mere responsibility to shareholders. The clearest of these restrictions are those that require that companies refrain from doing business with enemies and transferring militarily useful technology to foreign nations. These restrictions imply that companies have a responsibility to not endanger the nation's security. And as Gibbon demonstrated in his *Decline and Fall of the Roman Empire*, the fall of great nations is the result of internal breakdown rather than external aggression, and business practices that restrict the benefits of commercial activity to stockholders alone can and often do demolish the internal social cohesion that holds a nation together. That has already happened in the United States of America. An astute observer, whose name I neglected to record, has written that Americans do not live together; they merely live side by side. Any business practice that

does not attempt to enhance its nation's well-being as a whole is just as much an enemy as a foreign aggressor.

Claim Two:

"Pharmaceutical companies must charge high prices for their products in order to finance medical research."

But consider the consequences to a pharmaceutical company if it closed its research operations. When its current patents ran out, it would become a mere manufacturer of generic drugs. While there is nothing wrong with that, generic drug producers are not considered high-powered companies. Their market valuations are a fraction of those of the major pharmaceutical firms and their officers don't get paid nearly as much. So the claim is nonsense. These firms will never give up research, and furthermore, much medical research is done in universities and other places. Pharmaceutical firms don't deserve the reputations they have for cutting-edge research. Medical research would not come to an end if pharmaceutical firms stopped doing it, but some of these firms might very well collapse if they were forced to lower prices.

Claim Three:

"Corporations must pay their executives enormous amounts in order to attract the best people."

First, no one has a sure-fire method of identifying who the best people are, and the fact that many companies that have paid enormous amounts to executives have been driven into the ground by them proves that high compensation is no guarantee that the executive was one of the best to be had. In fact, corporate executives may have little to do with the success of their companies; yet they have everything to do with their companies' failures. Companies, if I may paraphrase President Reagan, rot from the top down. What have the highly compensated CEOs of our big (middling?) three auto makers, our failing major airlines, the nation's major banks and mortgage companies done to earn

their pay? American Airlines CEO Gerald Arpey has recently said that the high compensation bonuses awarded to American Airlines' executives was necessary to keep its executive force at American. But why should anyone want to keep such yahoos? A year ago Arpey was being extolled as a great turnaround expert; today his company is nearing collapse.

Claim Four:

"Consistency in viewpoint is a political virtue."

Anyone who is not smart enough to continue to learn and to change his/her mind when the facts warrant is too dumb to be doing anything but cleaning sewers and collecting garbage.

Claim Five:

"Media editors and commentators have opinions worth our attention."

Two centuries ago, journalists were among the most well-educated people in their communities. Not so anymore. An education in journalism today provides little expertise in anything. That their views differ widely among themselves proves that they know no more about the matters they expound upon than most of their readers and considerably less than some of them. The ancient saw, *de gustibus non disputandum est* is also true about knowledge. When two "experts" can argue about something, at least one doesn't know what he/she is talking about. (This comment also applies to financial advisors, economists, clerics, market analysts, and product evaluators.)

## ECONOMIC AND SOCIAL CRISIS IN AMERICA: BURGLARIOUS STIMULUS

Paul Volker has recently said, “Well, we’ve got a problem in governing in this country..., our inability to deal with very large evident problems is apparent.”

Indeed we do, and the problem is not new. The problem became evident to many long before Mr. Volker’s term as Chairman of the FED, and he, along with many others, are complicit in perpetuating it.

There are two beliefs held by America’s powerful elite that make solving social problems impossible. In fact these beliefs exacerbate existing problems and continually create new ones.

Much of America’s political and economic communities hold the belief that government exists to promote private-sector business which will in turn use its ingenuity, expertise, and the profit motive to solve society’s problems, relieving the government of that responsibility. Politicians of both parties, more or less, have adopted this view. It accounts for the government’s unwillingness to tax corporations and the wealthy, for both the Congress’ ability to find money for corporations and war but rarely for people, and for the Republican assault on social programs, even social security. Republicans claim that all such programs should be privatized. Let the private sector handle social problems. It matters not that more than two hundred years of history proves the view to be misguided, perhaps something that Mr. Volker has come to finally recognize. No known instance of the private sector’s addressing and solving a social problem exists. Social problems abound in all societies that have from time to time



adopted this view. Since the fall of communism in Bulgaria, unsolved murders have become epidemic, and look at what happened in Russia and Israel after they abandoned communism and socialism respectively. Crime and poverty have become widespread while billionaires have crawled from the woodwork.

The reason this always happens lies in another view held by the same elite: private-sector companies have one and only one responsibility—the pecuniary interests of their stockholders. Private-sector companies have no social responsibilities. The chief proponents of this view are the late Milton Friedman and the Chicago school of economics, although the view is quite widespread and was formulated long ago. It is sophistically called economic freedom.

That these two notions are incompatible should be obvious. The first places the responsibility of solving social problems on the private sector and the latter removes that responsibility from the very same private sector. The result is that neither the private sector nor the government takes responsibility for the solution of the “very large evident problems” that Mr. Volker now recognizes.

But these notions also account for why the government’s stimulus packages are not working. The original stimulus that gave almost a trillion dollars to the investment and automotive communities has produced meager results. Now the administration is proposing a “jobs bill” that merely consists of giving small businesses that hire new workers tax breaks, which is just another instance of the government’s promoting private-sector businesses in an effort to solve a social problem. These programs are

burglarious. The people are made to take on debt to pay for their own jobs.

There is much forthright criticism of these programs. See Obama's disco-era jobs bill, but the Congress will pay no attention; the dogma will prevail, and the economic problem with all of its associated social problems will persist in greater or lesser form.

A number of pieces have appeared which describe the stimulus as a failure. Conn Carroll of the Heritage Foundation writes, "Congress does not have a vault of money waiting to be distributed. Every dollar Congress injects into the economy must first be taxed or borrowed out of the economy. No new spending power is created. It is merely redistributed from one group of people to another. . . . Yes, government spending can put underutilized factories and individuals to work—but only by idling other resources in whatever part of the economy supplied the funds. If adding \$1 billion would create 40,000 jobs in one depressed part of the economy, then losing \$1 billion will cost roughly the same number of jobs in whatever part of the economy supplied Washington with the funds. It is a zero-sum transfer regardless of whether the unemployment rate is 5 percent or 50 percent."

But why Carroll and others like him fail to notice that the same thing happens when the government subsidizes private-sector business ventures is logically incomprehensible. Any subsidy comes from somewhere and goes somewhere else. All governments engage in the practice of transferring money from one group to another. From whom the money should be taken and to whom it should be given is the essential question. That it

should be taken from the poorest and given to the richest is what contradicts all known moral principles and has provoked the common widespread opposition to the stimulus.

And the Wall Street Journal reports in *The Stimulus Didn't Work* that "The data show government transfers and rebates have not increased consumption at all." But only an economist would ever have expected it to. Birds won't feed if the birdseed is sprinkled over the dog's food. Transferring money to vendors does not increase consumption.

Job creation is the measure everyone seems to be looking at, but merely creating jobs is itself not helpful. Anyone who has looked at the way the unemployment rate is calculated knows that it is bogus. It is not mathematically possible for the number of jobs lost in a month to be greater than the number gained and have the unemployment rate drop. Two plus two never equals three. Furthermore, it is perfectly conceivable for a society to have full employment and widespread poverty. All that is required is sufficiently low wages. Widespread poverty is a social problem that is worse than unemployment. In fact, if merely reducing the unemployment rate were the goal, given the way the employment rate is calculated, the goal could be accomplished more quickly by just paying the unemployed enough to take them off the rolls of jobseekers. Some economists, Stiglitz for instance, have claimed that the reason employment is a lagging indicator is that wages are not reduced fast enough in economic downturns to stimulate it. But lowering wages creates rather than solves social problems.

The powerful elite in America who object to social programs for the people, otherwise known as entitlements, apparently don't recognize that subsidizing the private sector is itself an

entitlement. The private sector knows that it can expect these subsidies and feels it is entitled to them, and when some companies are deemed “to big to fail,” the entitlement becomes absolutely necessary. The result is that the government exists for the benefit of the private sector and not for the people. The private sector endures while the people perish. It results in the absurdity of the nation’s having thousands of empty houses while homeless families live on the streets along with their hungry children. See Suburban homeless: Rising tide of women, families. Is this how the greatness of America is to be measured? Is this how we want the world to view us? Is this the kind of world we want to live in?

So what is the upshot of all of this? There are only three logical possibilities.

- One is that the private sector be required to take on the responsibility for solving social problems, exacting severe penalties from those companies that don’t assume it.
- Another is that the government abandon the view that the private sector can or will solve social problems and assume that responsibility itself.
- The third is to do nothing, making clear that the government assumes the attitude of William H. Vanderbilt who said, “The public be damned!”

I suspect that those who make up America’s power-elite would prefer the last but lack Vanderbilt’s honesty. These people are, of course, evil through and through. But I wonder which alternative Mr. Volker would select, and whether he’s honest enough to even confront the issue. We’ll never know of course, for Mr. Volker

along with everyone else in this elite class have adopted Pascal's view that "the best defense against logic is ignorance," and they maintain their ignorance by ignoring all critics.

## ECONOMIC GLOBALIZATION AND FREE TRADE

When economists make a case for the principles of globalization and free trade, the argument we usually hear is this:

If a commodity can be made more cheaply in country A than in country B, then country B ought to purchase the commodity from country A and utilize its own resources to produce something else. Sounds cogent, doesn't it? The trouble is that this argument doesn't fit the real world.

Since the industrial and technological revolutions, commodities fall into two groups: Those that require specific geological or climatic conditions and those that don't.

Only some natural resources and agricultural commodities fall into the first group. Nations that want these commodities but lack the necessary conditions to produce them have no choice but to import them. In this situation, the producing nations have the upper hand. They can choose to trade at reasonable prices or not, and if they don't, the other nations have only two options. They can do without the commodities or engage in conquest, which is what the Western nations did when they ushered in the Age of Imperialism, an age which has had devastating consequences. Wars, vast amounts of resources squandered on armaments, human exploitation and degradation, and unbelievable cruelty. Most of the problems the world faces today have resulted from the practices of this age--all of the problems in the Middle East and Africa and many other places as well. How much wiser would it have been to simply do without the commodities.

The other group of commodities makes up the crux of the free trade and globalization debate. Since the industrial and technological revolutions, all of the products that fall into this group can be made by anyone anywhere. All that is required is a

capital investment. But as the old saw says, the devil lies in the details.

Consider this case. Country A can produce a product more cheaply than countries B, C, D, and E, so countries B, C, D, and E choose to purchase the product from country A. But what if country A can't produce enough of the product to satisfy the needs of all five? Countries B, C, D, and E engage in a bidding war. But the bidding can only go so high, for once the bid price exceeds the cost of producing the product at home, buying it abroad makes no sense. So what, asks the free trading economist? We then produce the product at home.

But there's a fly in this soup. It takes time to gear up to produce a product. And suppose all four countries decide to produce the product domestically? Then the price that country A wants for the product drops, and it then no longer makes any sense to produce the product domestically, and at least some of the resources spent in countries B, C, D, and E to gear up for the product's production is squandered. This is an un-resolvable economic paradox, and shifting purchases to say another country, F, doesn't change the logic any. It merely complicates it. In today's world, these free trading arrangements have become so complicated that they have become unmanageable, as international trade conferences demonstrate conclusively. The European Union wants to guarantee its access to certain agricultural products and subsidizes its farmers, a subsidy that violates the principles of free trade and is resented by the nations that can produce the products cheaper than the Europeans. Yet if the Europeans gave up the subsidy, there would be no mechanism to guarantee the availability of the desired products when shortages arose, and the time that it would take to regenerate the farming abandoned for free trade could result in

catastrophic consequences for the Europeans. The Europeans realize that in this situation, free trade is a hazardous venture.

So far, I have described the problem solely in economic terms, but there's another side to the argument as well. There are countless stratagems that nations can use to make the products they produce cheaper, and none is morally neutral.

What if a country chose to produce products for export by using slave labor? Would it be acceptable for other nations to purchase these products merely because they are cheaper? Would you buy a car say from China if you knew it was produced by slave labor? Or would that violate our human sensibilities?

What if a country chooses to utilize prison labor, child labor, or merely exploited labor? Which of these would be morally acceptable? Where would one draw the line? Is prison labor okay, but child labor not?

Then there is still another quandary. What if the producing nation suddenly takes a dislike to or an offense at the purchasing nation? What if the Arabs get so angry at the Western world that they decide to sell all of their oil to only Asian, African, and Latin American nations or else charge the Western nations so much for it that they break the bank?

Globalization and free trade are ideal notions; however, they require a world that doesn't exist. They require a world that holds common moral principles about the treatment of labor as well as consumers and investors. They require a world where nations have a common trust of each other. They require a world in which the people of one nation have a common concern not only for the welfare of their own citizens but one for the welfare of people everywhere? In our world, people often lack a common concern for their own fellow citizens. How could we ever bring about the required concern for all of humanity everywhere?



The result is that the notions of free trade and globalization are unworkable. Putting them into practice will benefit some and injure others, will create animosities and conflict, and will perpetuate the misguided behavior of imperialists. No good can ever come of these notions, until some moral code for the governance of economic behavior is devised, adopted, and enforced? Until then, international economics will be nothing more than a form of violent warfare. And although there is always a nominal winner and loser in a war, in truth both parties are losers. For the resources squandered in warfare can never be retrieved. And it strikes me as noteworthy that laws exist that define the behavior of societies internally, that define the behavior of societies at war, but that we have none that define acceptable behavior in international commerce, and few even that define acceptable behavior within societies themselves. In America we have Christians that are fighting tooth and nail to have the Ten Commandments posted in public places, but who never even whimper at the economic practices that violate the ninth commandment. This schizophrenic human behavior is difficult to understand; yet human beings everywhere, not merely Christians, engage in it, especially when it involves economic endeavors. And that is our Achilles heel.

## ECONOMIC MAN AND THE VIRGINIA WHITE TAILED DEER. THE ANALOGY BETWEEN NATURAL SPECIES AND THE HUMAN RACE

The Virginia white tailed deer can serve as a paradigm for natural species and exhibit their essential characteristics. Once upon a long, long time ago, the human race was also a natural species very much like the Virginia white tailed deer. The race is natural no longer. It is a species made artificial by means of a human artifice. If economists understood the significance of the analogy between natural species and the human race, they would long ago have abandoned the absurd Seniorian view "That every person is desirous to obtain, with as little sacrifice as possible, as much as possible of the articles of wealth." Until economists realize that the artifice called the economy essentially exists to make life for human beings easier and better, the human condition will never improve. We will continue to exploit and even kill each other for any modicum of wealth. That is an evil bargain.

What can be learned about economics from studying the Virginia white tailed deer? Well, perhaps nothing. After all, *Odocoileus virginianus* does not live in an economic environment. It is a natural species; it is a part of nature and relies entirely upon nature. No deer is either employed nor unemployed. No deer is part of a labor force. No deer is a merchant or investor. *Odocoileus virginianus* has no middle class. It has no upper or lower class either. A deer is purely and simply a natural animal. It is born as a child of its parents. It learns to forage for plants, including shoots, leaves, cacti, grasses, acorns, fruits, and corn. When it matures, it seeks suitable mates to contribute to the propagation of its species. It has no economy! But the Virginia

white tailed deer can serve as a paradigm for natural species and exhibit their essential characteristics.

Once upon a long, long time ago, the human race was also a natural species very much like the Virginia white tailed deer. The human race is natural no longer. It is a species made artificial by means of a human artifice.

I suspect it happened over a long period of time for different reasons in different ways in different places but mankind withdrew from nature. When people realized they could grow plants and husband animals, they also realized they no longer had to forage or hunt. Primitive villages contained gardens and common areas for grazing animals. Tilling fields and herding animals replaced foraging and hunting. But as villages became cities, gardens and village commons began to disappear. Without them and without the ability to forage and hunt, human sustenance became uncertain and large numbers of people became dependent on others. City dwellers had to depend on others to provide "work" for their daily bread. So an artifact called an economy which consists of a person's relationships to others for the purpose of survival came into existence. Workers depend on employers and vice versa. Vendors depend on consumers. Lenders depend on borrowers. Everyone depends in some way on the services of others. As John Donne writes, "No man is an island."

Economics is about these relationships between people. Economists try to determine or predict how people will react under various economic conditions. The law of supply and demand tries to describe what vendors will do when the supply falls or the demand rises. Some vendors act in accordance with

the law; some to not. Various confidence measures (consumer, vendor, investor) are used to predict what the subjects are going to do. If consumer confidence falls, will consumers buy less? Maybe, maybe not. Doesn't that depend on what they need and can afford? Who does the theory of rational expectations apply to? Why humans, of course. But can an irrational person, of whom there are many, have rational expectations? Economics as we know it cannot answer such questions. So you see, economics is about what economists believe people's attitudes are. Nothing more or nothing less.

Consider this:

To [Stephen] Roach, Americans are still working to rebuild savings and will be slow to increase spending as long as wage growth is sluggish and household debt exceeds long-run averages. "We have a long, long way to go," says Roach . . . a senior fellow at Yale University's Jackson Institute of Global Affairs. . . . [Harvard's Martin] Feldstein predicts "we finally are going to see a good year in 2014," thanks to stock-market and home-price gains that have boosted household wealth and given consumers the confidence to spend.

Here you have economics in a nutshell. Two prominent economists telling us how (they believe) people will react to current economic circumstances, and they have opposite views which makes them nothing more than armchair psychologists. But it's worse: the people they expect to act in one way or the other are not even real.

People who want to lie while appearing not to are good at this tactic. Instead of specifying specific subjects in their sentences,

unspecific generic nouns are used instead. Roach says, "Americans are still working to rebuild savings." Which Americans? Certainly not Bill Gates! Feldstein says, "stock-market and home-price gains . . . have boosted household wealth and given consumers the confidence to spend." Which consumers? Certainly not the families receiving food stamps! And consider this oddity: The logical possibility exists for both to be right. What if Roach had said that frugal people are still working to rebuild savings and Feldstein had said profligate people have the confidence to spend? Would that mean anything more than the truism frugal people save and profligate people spend? What would that teach us about "the economy"? Would it be getting better or worse? For the same reasons, it is logically possible for GDP to increase while net wages fall. Could anyone say definitely that the economy is improving? As a matter of fact, there is no definitive combination of indicators that would enable anyone to say that the economy is improving. Just because some indicator, say GDP, increases consistently over some period of time does not mean it will continue to increase. So too with all the many indicators. As Keynes himself put it, "the material to which it [economics] is applied is, in too many respects, not homogeneous through time."

People are not all the same. There are frugal and profligate people, wise and stupid people, careful and careless people, greedy and generous people, honest and dishonest people. The list goes on and on. And people often change! It would make a great deal of difference if we knew that stupid people were investing in the stock market and wise people were selling out, but no economist can ever tell us that. People to economists are neither stupid nor wise. Economic man is unreal; s/he does not exist.

Talk about “the economy” is meaningless. All that can be done is talk about the state of some of its parts at some specific time. That’s what some of the indicators do, but the indicators are easily fudged. (Lies, damned lies, and statistics!) Take, for instance, the unemployment reports and their embedded concept of the workforce which is defined as those people currently working or not working but actively seeking employment. This definition must have sounded good to some economist (difficult to understand why), but consider this analogue. A school district’s superintendent decides to define “student body” as consisting of those attendees who study and do homework. Wouldn’t he be subject to ridicule? Yet economists define things in similar ways even though they should know that fudged numbers never yield valid results. Economics as the subject is currently understood can never teach us anything useful and has deluded us into believing that it is the study of how to accumulate money, converting all of the worst attributes of human nature into virtues.

When the economy is understood as a replacement for nature’s provision of its bounty, several things become evident.

- The artifice constrains no one.
- For the artifice to work, people must be relied upon to do what needs to be done to provide all with their needs.
- Unfortunately, many people are completely unreliable.
- The political part of the political economy must find ways of providing what the unreliable people will not.

- Otherwise for a majority of human beings, life is a direct function of the reliability of others.

If economists understood the significance of the analogy between natural species and the human race, they would long ago have abandoned the absurd Seniorian view "That every person is desirous to obtain, with as little sacrifice as possible, as much as possible of the articles of wealth." Millions (perhaps more) of living counterexamples exist. When a boy in West Virginia says he wants to be a coal miner "just like his dad,\* he is not seeking wealth. Neither are the students in nursing schools, departments of education, or social work. Neither too are those who want to be firemen, policemen, or even soldiers. The view that wealth is what motivates people is ludicrously stupid. Many, including economists, do not realize how much they rely entirely on such non-wealth seeking people.

I know it sounds silly, but if a Virginia white tailed deer could be asked what it would accept as a successful life, I suspect it would say something like having sufficient food, shelter when needed, mates, children, and longevity. Vestiges of those natural instincts still dominate human lives. They constitute the fundamental wants of human beings. When a young person tries to become a fireman and succeeds, not calling him/her successful is an ignorant misuse of language. S/He is just as successful as the person who seeks to and becomes a hedge fund manager. And a hedge fund manager who amasses millions but dies prematurely from stress related diseases or cannot have successful relationships with mates or her/his own children is a failure at living. Wealth is never the relevant ingredient. Most human beings are merely trying to live; they are not seeking wealth. Until economists realize that the artifice called the economy essentially

exists to make life for human beings easier and better, the human condition will never improve. We will continue to exploit and even kill each other for any modicum of wealth. That dear reader is an evil bargain. Economists are responsible for promoting it.



## ECONOMICS AND ARMCHAIR PSYCHOLOGY

*“Economics is haunted by more fallacies than any other study known to man.”—Henry Hazlitt*

Over millennia, numerous enterprises have sought the status of science. Few have succeeded because they have failed to discover anything that stood up to scrutiny as knowledge. No body of beliefs, no matter how widely accepted or how extensive in scope, can ever be scientific.

In the Ptolemaic system of astronomy, the epicycle is a geometric model of the solar system and planetary motion. It was first proposed by Apollonius of Perga at the end of the 3rd century BCE and its development continued until Kepler came up with a better model in the 17th century, and the geocentric model of the solar system was replaced by Copernican heliocentrism. In spite of some very good approximations to the problems of planetary motion, the system of epicycles could never get anything right.

Phrenology was originated by Franz Joseph Gall [right] in the late 1700s. After examining the heads of a number of young pickpockets, Gall found that many of them had bumps on their skulls just above their ears and suggested that the bumps, indentations, and shape of the skull could be linked to different aspects of a person's personality, character, and abilities. Gall measured the skulls of people in prisons, hospitals, and asylums and developed a system of 27 different “faculties” that he believed could be directly diagnosed by assessing specific parts of the head, and he chose to ignore any contradictory evidence. After Gall's death in 1828, several of his followers continued to develop phrenology. Despite some brief popularity, it was

eventually viewed as a pseudoscience much like astrology, numerology, and palmistry. All of these, too, could never get anything right.

Sigmund Freud was an Austrian neurologist who is known as the father of psychoanalysis which is a clinical method for treating psychopathology by having a patient talk to a psychoanalyst. Results on the mental health of patients were scanty at best. Some contend that Freud set back the study of psychology and psychiatry “by something like fifty years or more”, and that “Freud’s method is not capable of yielding objective data about mental processes”. Others consider psychoanalysis to be perhaps the most complex and successful pseudoscience in history. Karl Popper, who argued that all proper scientific theories must be potentially falsifiable, claimed that no experiment could ever disprove Freud’s psychoanalytic theories and thus were totally unscientific. Now Freud’s work has little relevance in psychiatry. It could never cure anyone. But it was not Freud who created a pseudoscience, it was the people who uncritically adopted his views.

Today the great fraudulent science is economics, but I don’t intend to beat that carcass. It has been shown not to be a science by numerous astute people. Even some renowned economists have been convinced of it. Paul Samuelson has said, “Economics has never been a science –and it is even less now than a few years ago.” Even

Nassau William Senior knew it: “The confounding Political Economy with the Sciences and Arts to which it is subservient, has been one of the principal obstacles to its improvement.”

Yet many working economists continue to claim that it is or at least that it is more of a science than its siblings in the social

enterprises of study. Perhaps these people feel that their work lacks dignity if it is not scientific, being unable to say exactly what it is if it is not science. So let's look at some things that economists regularly do to see if what they are doing can be defined.

Jared Bernstein [right], with a Ph.D. in Social Welfare from Columbia University, is not technically an economist but he has held many positions that an economist would usually hold. He was chief economist and economic adviser to Vice President Joe Biden and a member of President Obama's economic team. Prior to joining the Obama administration, he was a senior economist and the director of the Living Standards Program at the Economic Policy Institute. Between 1995 and 1996, he held the post of deputy chief economist at the U.S. Department of Labor. His pieces are frequently posted on Economist's View where I found a piece containing the following section:

the deeper, and more interesting, reason one worries about too-low inflation right now comes out of the work of Akerlof et al back in the mid-1990s. It has to do with sticky wages, something Keynes recognized as contributing to intractably high UK unemployment back in the early 1920s. Back in the mid-90s, we also faced a period when price growth was slowing, and inflation hawks called for the Fed to set zero as their inflation target. Alan Greenspan apparently took it seriously, and internally debated the idea.

That inspired Akerlof et al to think about what might happen in a zero inflation economy, and what they found was that it would engender significant costs in terms of unemployment and growth.

The reason that zero inflation creates such large costs to the economy is that firms are reluctant to cut wages. In both good

times and bad, some firms and industries do better than others. Wages need to adjust to accommodate these differences in economic fortunes. In times of moderate inflation and productivity growth, relative wages can easily adjust. The unlucky firms can raise the [nominal] wages they pay by less than the average, while the lucky firms can give above-average increases. However, if productivity growth is low (as it has been since the early 1970s in the United States) and there is no inflation, firms that need to cut their relative wages can do so only by cutting the money [i.e., nominal] wages of their employees. Because they do not want to do this, they keep relative wages too high and employment too low.

As long as there's a little inflation in the system, "less fortunate" firms can give nominal wage increases below the rate of inflation, allowing them to adjust to harder times. With very low inflation, they don't have the room to pull that off.

When I read this, I recognized that the fuzzy writing, which is always a symptom of bad thinking, lead to entirely the wrong conclusions. First we see that "firms are reluctant to cut wages." Then we see that firms cut wages by giving "nominal wage increases below the rate of inflation" which, apparently, firms are not at all "reluctant" to do. The conclusion that aches to be drawn is that inflation allows firms to covertly reduce the wages of their employees, and it does that regardless of the firms' financial conditions, since nothing prohibits any firm from giving raises below the rate of inflation. Bernstein wants the rate of inflation to be higher so employers can engage in this sneaky way of reducing the wages of their employees. Inflation is good for employers but bad for employees.

Bernstein is involved in equation adjusting, a prevalent practice among economists. An equation exists; economists call it a model. The equation, they believe, describes reality albeit in a simplistic way. When economic data is plugged into the equation, if both sides are unequal, one side, or sometimes both sides, must be adjusted to make both sides equal. I don't know what specific equation Bernstein has in mind, but I know that one side describes, in mathematical terms, the economic conditions firms face, and the other side describes the costs of production. So when the side that describes the economic conditions the firms face declines, something on the other side must be reduced.

For Bernstein, it's wages. But what has the equation to do with reality? Economists believe that their equations describe reality accurately, but no model ever comes accompanied by a proof that it does. As Keynes pointed out, "Too large a proportion of recent 'mathematical' economics are mere concoctions, as imprecise as the initial assumptions they rest on, which allow the author to lose sight of the complexities and interdependencies of the real world in a maze of pretentious and unhelpful symbols." As others have pointed out, the map is not the territory.

When the model that Bernstein has in mind is combined with what economists call the Paradox of Thrift (the claim that saving benefits consumers but damages the economy and spending, which benefits the economy, damages consumers), it follows that Capitalism can never be made to function in a way that benefits all people.

Economic models are based on mere beliefs, many of which can never be known to be true. Consider the following claims for instance:

“Nobody ever saw a dog make a fair and deliberate exchange of one bone for another with another dog. Nobody ever saw one animal by its gestures and natural cries signify to another, this is mine, that yours; I am willing to give this for that.” Adam Smith

“Every individual is continually exerting himself to find out the most advantageous employment for whatever capital he can command.” Adam Smith

“That every person is desirous to obtain, with as little sacrifice as possible, as much as possible of the articles of wealth.” Nassau William Senior

“Everyone wants to live at the expense of the state.” Frederic Bastiat

“People spend more when they feel wealthier, even if they’re not.: Economists call this the “wealth effect,”

“the consumption of the rich is no more than a scaled-up version of the consumption of the poor”

And then there’s this from Dani Rodrik: “Mainstream economists are often seen as ideologues of the market economy. I would concede that most of my economist colleagues tend to view markets as inherently desirable and government intervention as inherently unwelcome. But in reality what we teach our students in the classroom – the advanced students if not the undergraduates –and what we talk about in the seminar room are typically much more about the myriad ways in which markets fail.”

How could anyone know any of these things? Did Adam Smith spend a lot of time observing the behavior of dogs? And even if he did, what would that have taught him about trade? In what sense do public school teachers or nurses continually exert themselves to find out the most advantageous employment for whatever capital s/he can command? How many readers of this piece want to live at the expense of the state? And how many economics teachers have had their teaching observed by Prof. Rodrik? No evidence exists for the truth of any of these examples.

So why do economists make claims like these? Is it because these claims describe how they themselves would behave if given the opportunity? Was Bastiat spectacularly lazy? Was Smith really a greedy man? If those who make such claims wouldn't have acted in the ways they described, wouldn't they then know that the claims were false?

These all are unprovable claims about human (or canine) nature. Economics as we know it is nothing but claims about how human beings will act in given circumstances. As such, it is nothing but armchair psychology, and the psychology is based on the psychological attributes of the economists making the claims. Greedy people believe that all people are. Dishonest people believe that all people are. Corrupt people believe that all people are. Evil people believe that all people are. But, you know, they're wrong! Paul Bloom, a professor of psychology at Yale, says.

When it comes to accepting or changing the status quo . . . [people] tended to "defer to experts or the community." Economists assume that "everything is subject to market pricing unless proven otherwise. . . . The problem is not that economists

are unreasonable people, it's that they're evil people. ... They work in a different moral universe."

Martin Feldstein tells us how its all supposed to work:

"When the Fed buys long-term government bonds and mortgage-backed securities, private investors are no longer able to buy those long-term assets. Investors who want long-term securities therefore have to buy equities [stocks]. That drives up the price of equities, leading to more consumer spending [wealth effect]."

But it doesn't work, does it?

Economists have been carrying coal to Newcastle since Adam Smith provided English merchants with a rationalization of what they had always wanted to do – treat their fellow human beings as beasts of burden. Economists continue to perform the same function.

"Capitalism is the astounding belief that the most wickedest of men will do the most wickedest of things for the greatest good of everyone." – John Maynard Keynes

Economics is not about economy; it is a way or organizing society. Our economists have resuscitated an old social order. We live in a neofeudal world where the elite rentier group lives in manor mansions and everyone else is a serf.



## ECONOMICS, GOALS, AND MEASURES

The question of what goals an economic system should strive to attain and how its progress should be measured seems not to have been considered by most economic thinkers. It seems that they have all merely accepted that wealth, defined variously, is that goal without ever giving it very much thought, and economic progress has been and continues to be measured in terms of national wealth. The goal of Mercantilism, for example, was for nations to amass as much wealth, defined as precious metals, as possible. It failed as an economic system merely because the amount of precious metals in a monarch's treasury had no bearing on the welfare of a nation's people.

Free market Capitalism is somewhat of an improvement, but wealth is still measured by the net wealth of the nation, now defined as the sum of products and services available. As far as it has a bearing on the nation's people, free market Capitalism institutionalizes a trickle-down theory. As the nation gets wealthier, some of that wealth trickles down to the people and betters their lots. But the trickle-down has always been a trickle, never a stream, and often almost a dry gulley, and it has never gotten down to all of the people. Isn't it time that someone began asking whether wealth is the right goal? Strange as it may seem, and no one seems to have ever pointed this out, this economic model commits the fallacy of division and would have been discarded a long time ago by logical thinkers.

Looking at economics from the level of a nation's people, the nation's wealth, net GNP, or whatever, has never proved to be adequate. Nobody, not even the people who amass wealth in this kind of economy, really cares what the sum-total of the nation's

wealth is. All they care about is their own wealth. And they care about that only because it determines whether or not they can adequately take care of themselves and those they care about.

But what if we had an economic system that adopted the well being of the nation's people as its goal? What would that consist of? Something like this, I propose: adequate housing, adequate clothing, adequate food, adequate healthcare, adequate education, adequate security from both human predators and natural disasters, adequate employment, to list just a few. Democratically elected legislators could define the word adequate in each of these categories, and goals could be set to be attained over some period of time. We might say, for instance, that in so many years, our goal would be provide these things to some percentage of the population. Then the percentage to be attained could be increased and set as a another goal to be attained in so many more years. In this way, an economy's progress could be measured over time, and the legislature could restrict any actions that interfered with the attainment of these goals. Such an economic system would make sense, because it would have a guiding intent, in contrast to the current system which is nothing but haphazard at best, lacking any defined social goal.

Nations are merely extents of territory governed by a single entity. A nation, as such, does not constitute a society. We all know what the United States of America is, but it lacks social unity. America is made up of countless groups, but even most of these do not rise to the level of societies. Societies are groups in which people take care of each other; the Amish are a good example, and there may be others. But the United States is, instead, a place where each person is in competition and conflict with everybody else. This competition and conflict are a direct

result of our flawed economic model. Everyone is familiar with the old saw, United we stand, divided we fall. Few realize that a nation whose peoples are in competition and conflict with everybody else is a nation divided and is bound to fall sooner or later. If the world were merely made up of atoms, not ever combining into molecules, it would not amount to much more than nothing. A society-less nation is very much like a world of atoms.

Much of what is happening in America today trends toward a fall much sooner than later and our current economic system is what will bring America down. It cannot be fixed as long as wealth, especially national wealth, rather than welfare is its goal.

## ECONOMISTS WRITE THE DAMNEDEST STUFF

Alan Blinder, a Princeton University economics professor, published a piece in "Foreign Affairs" early last year, excerpts from which were published in the Dallas Morning News on January 7. Mr. Blinder argues that the defenders of offshore outsourcing "underestimated both the importance of offshoring and its disruptive effect on wealthy countries. . . . That said, we should not view the coming wave of offshoring as an impending catastrophe. . . . The normal gains from trade mean that the world as a whole cannot lose from increases in productivity, and the United States and other industrial countries have not only weathered but also benefited from comparable changes in the past. But, in order to do so again, the governments and societies of the developed world must face up to the massive, complex, and multifaceted challenges that offshoring will bring."

As I read this, it says that offshoring is not an impending catastrophe as long as the developed world faces up to the massive, complex, and multifaceted challenges that offshoring will bring. Yet, he writes, "National data systems, trade policies, educational systems, social welfare programs and politics all must adapt to new realities. BUT UNFORTUNATELY NONE OF THIS IS HAPPENING NOW."

Well, can't we conclude from that that if these things are not being faced now, we are indeed faced with an impending catastrophe? Maybe not. Not if we can goad the governments in the developed world into turning to face these challenges. But can we?

He writes, "the United States and other rich nations will have to transform their educational systems so as to prepare workers for the jobs that will actually exist. . . ." Well, heck! That won't be hard. Or will it? We haven't gotten all of our educational system to accept evolution as a scientific fact, so how hard will changing the system be? Furthermore, Mr. Blinder writes that the jobs of the future will involve personal presence, i.e., face-to-face services--divorce attorneys, internists, nurses, sales people, waiters, janitors, teachers, plumbers, mechanics, carpenters, and except for perhaps the first two, all of these are the kind of high-paying jobs that people strive for, aren't they? So what kind of changes to the educational system do we have to make to prepare people to be waiters, janitors, and garbage collectors anyhow?

"Another important step for rich countries," Mr. Blinder writes, "is to rethink the currently inadequate programs for trade adjustment assistance. The United States may have to repair and thicken the tattered safety net that supports workers who fall off the labor-market trapeze. At present, the United States has one of the thinnest social safety nets in the industrial world, AND THERE SEEMS TO BE LITTLE IF ANY POLITICAL FORCE SEEKING TO IMPROVE IT." Yes, indeed! This won't be hard to change, either, will it?

So what is Professor Blinder's point? Are we or are we not facing an impending catastrophe? He says, we should not view the coming wave of offshoring as an impending catastrophe but if his argument is correct, I'd say were in for a hell of a bad time in the United States of America.

It just dumbfounds me that an erudite economics professor could write a piece that concludes that we should not view the coming

wave of offshoring as an impending catastrophe when all the other evidence in the piece supports the opposite conclusion.

## **EXPENDABLE PEOPLE: ECONOMICS, A "MURDEROUS SCIENCE"**

The English who settled America brought English culture with them. The colonies were nothing but little Englands. When the colonists revolted, they were merely trying to get free of the tyrannical English monarchy, not trying to change the culture. They were perfectly happy with the English way of life. They carried on its practices and adopted the English system of common law.

That sixteenth century culture is alive and well in America today and is why America is in many respects a backward nation. Americans are living 500 years behind the times.

One would like to believe that human institutions exist to enhance the lives of people, but there is very little evidence to support that view. If enhancing the lives of people is not the purpose of human institutions, what is? The American Constitution lists six goals the founders expected the nation to accomplish:

We the People of the United States, in Order to (1) form a more perfect Union, (2) establish Justice, (3) insure domestic Tranquility, (4) provide for the common defence, (5) promote the general Welfare, and (6) secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.

Unfortunately, no American government has ever tried to govern in a way that seeks to attain these goals. So the American government is either an unconstitutional, failed state or else the

framers of the Constitution must be thought of as having engaged in unrealistic political propaganda. At any rate, the American government is not what the Constitution makes it out to be. The question is why? The answer is the stupid political economy!

The English who settled America brought English culture with them. The colonies were nothing but little Englands. When the colonists revolted, they were merely trying to get free of the tyrannical English monarchy, not trying to change the culture. They were perfectly happy with the English way of strife. They carried on its practices and adopted the English system of common law.

That sixteenth century culture is alive and well in America today and is why America is in many respects a backward nation. Americans are living 500 years behind the times.

The English were engaged in economic activities for hundreds of years before Adam Smith published his *An Inquiry into the Nature and Causes of the Wealth of Nation*; all he did was provide English merchants with a rationalization for what they had always done and wanted to do more of. *Laissez-faire* (let [them] do), to them, meant the ability to engage in economic practices without being subjected to governmental restrictions and tariffs. Then, like today, merchants wanted the freedom to profiteer by buying cheap and selling dear. Merchants, then or now, have had little interest in abstruse economic theory unless its models promise greater profit.

But buying cheap and selling dear applies to labor as well as materials, and the classical economists provide a rationalization for that maxim too. The subsistence theory of wages, advanced by classical economists, holds that the market price of labour always



tends toward the minimum required for subsistence (that is, for basic needs such as food and shelter). Even Alfred Marshall, America's first modern economist, was of the opinion that wages in the long run would tend to equal maintenance and reproduction costs. So when the Republican party seeks to eliminate regulations and keep the minimum wage low, they are acting just like sixteenth century English merchants and their boot-licking economists. Merchants become sheep dogs that herd human sheep, and our economists think nothing of it. They have adopted the British way of strife totally.

Although this impoverishment of labor is bad enough, in a globalized economy it is devastating. The classical economists held that a subsistence wage had to be high enough to enable the workforce to reproduce itself in order to maintain a labor supply; in a globalized economy, the workforce needed exists in underdeveloped countries. A domestic workforce is entirely unnecessary, so there is no need to even grant it subsistence wages or any other humane benefit. From a merchants'/economists' point of view, domestic labor becomes expendable. Why pay it anything at all?

What a lovely world our economists advocate! Economics is not merely a dismal science, it is a murderous one.

Merchants and economists constitute a class of totally inhumane human beings. (Isn't inhumane human a contradiction?) It seems as though two entirely different races have intermingled – the human race and an inhumane one. In the words of Pope Francis,

“A savage capitalism has taught the logic of profit at any cost . . . of exploitation without thinking of people.”

What kind of person would support this economy? Although they may revel in their fortunes and often act and speak like the rest of us, they are not like us. They are evil to the marrow of their bones. Logically, the inhumane are either not human or deranged.

One such person is Arnaud Costinot, an MIT economist, who uses the doctrine of comparative advantage to justify globalization. He is said to hold this:

“Ricardo thought that instead of trying to produce a wide range of goods, countries could grow by specializing in the goods they could produce most cheaply, and then trading those goods with other countries. This made sense, Ricardo claimed, even when a country could make multiple products more cheaply, in absolute terms, than other countries.

How? Suppose, Ricardo posited, that England produces cloth more cheaply than wine, while Portugal produces wine more cheaply than cloth. And suppose Portugal produces both products more cheaply than England does. Both countries could still benefit from trading in equal terms: England could specialize in making cloth, and trade that for wine. But Portugal could specialize in making wine, and trade that for England’s cloth — which would be the cheapest way to acquire cloth, even if Portugal’s own cloth was cheaper to make than England’s.”

Only thing is, Ricardo never wrote any such thing, and to describe what he wrote in this way is intellectual dishonesty at its worst. Ricardo never uses the word “cheaply.” He uses “the number of man hours needed to produce one unit of cloth or wine,” ‘Man hours worked’ is not a wage or a value of currency. The production may not be cheap. By deliberately misstating

what Ricardo writes, economists advocate the exploitation and impoverishment of workers and ultimately their destruction—a truly evil and inhumane goal.

This is the only explanation for the right wing's war on the poor. Beasts of burden are disposed of when they have lost their usefulness, so destroying the middle class is not to be lamented. When the labor of underdeveloped countries became available to manufacturers, the American middle class became expendable. That is the American Republican party's goal. It seeks to shrink the size of government by eliminating the people who need to be taken care of.

Economists want us to believe that free trade makes everyone richer, but experience teaches us otherwise.

The Internet is replete with articles both pro and con, but the attitudes of people to offshoring is quite consistent. The peoples in underdeveloped nations involved in making products for the West chafe at the extent of the exploitation. Whether in Latin America, Bangladesh, Malaysia, the Philippines, the Czech Republic, or Poland exploited labor is never described as prosperous. Neither has prosperity blessed America's laborers. Exploitation and prosperity are alien concepts. The exploited are never prosperous and the prosperous are never exploited. No nation can boast of its prosperity gotten by offshoring. The empirical evidence gotten anecdotally is better than the dubious statistical evidence cited by economists (see *The Real Cost of Offshoring*.) India's laborers are not getting rich working for American companies. NAFTA has not brought prosperity to Mexican or American workers. A low-wage job is not a gainful (prosperous) one. Marx asked workers of the world to unite;

Western corporate leaders tell them to be damned. Any economist who does not see what is happening is intellectually blind. Or perhaps, just plain evil.

In The Story so Far, the Economist put it this way:

ONCE UPON A time the rich world's manufacturing firms largely produced in the rich world for the rich world, and most services were produced close to where they were consumed. Then Western firms started sending manufacturing work abroad on a large scale. By the 1980s this was well established. The movement was overwhelmingly in one direction: away from rich countries to places where workers with adequate skills were much cheaper.

Whether openly stated or not, lower labour costs were almost always the chief rationale.

To corporations, workers are likened to beasts of burden and the economic elite who advocate this economic practice are then likened to vicious dogs. What a wonderful world! It will not change until the welfare of mankind, rather than profit, becomes the goal of political-economy. If the human race is to survive, the welfare of human beings must be the goal of human institutions.

## FIXING SOCIAL SECURITY WITH SOCIAL SECURITY IRAS

The President wants to alter Social Security to allow those covered by it to divert a portion of their Social Security contributions to IRAs. The attempt to sell this proposal to the American people will be made on the basis of average market returns over some period or periods of time. You should read my earlier posting entitled, Continuous Income Pricing , in conjunction with this piece.

Investment consultants have always touted average returns. And they always imply that given these averages, any investor can expect to receive similar returns on investments. But is this expectation ever justified?

To find out, you need to understand not only how to calculate an average, but how averages work. All averages work the same way; what they are averages of makes no difference. So consider the following very simple example:

What follows is a table constructed using the following axioms:

1. The number of terms is ten.
2. The sum of those terms is twenty.
3. The average is two.
4. To keep the example simple, only positive whole numbers are used.

Now there are only twenty-eight ways of combining ten positive whole numbers that yield twenty as their sum. Those twenty-eight ways are displayed in the following table, along with the number of terms that exceed the average, the number that match the average, the number that miss the average, and the spread between the largest term and the average.

#>2 #=2 #<2 Spread

1 five 3s five 1s 5 0 5 1

2 one 4 three 3s one 2 five 1s 4 1 5 2

3 one 5 three 3s six 1s 4 0 6 3  
 4 two 4s two 3s six 1s 4 0 6 2  
 5 one 6 two 3s one 2 six 1s 3 1 6 4  
 6 three 4s one 2 six 1s 3 1 6 2  
 7 one 7 two 3s seven 1s 3 0 7 5  
 8 one 6 one 4 one 3 seven 1s 3 0 7 4  
 9 one 5 two 4s seven 1s 3 0 7 3  
 10 two 5s one 3 seven 1s 3 0 7 3  
 11 two 5s two 2s six 1s 2 2 6 3  
 12 one 8 one 3 one 2 seven 1s 2 1 7 6  
 13 one 7 one 4 one 2 seven 1s 2 1 7 5  
 14 one 6 one 5 one 2 seven 1s 2 1 7 4  
 15 one 9 one 3 eight 1s 2 0 8 7  
 16 one 8 one 4 eight 1s 2 0 8 6  
 17 one 7 one 5 eight 1s 2 0 8 5  
 18 two 6s eight 1s 2 0 8 4  
 19 one 3 eight 2s one 1 1 8 1 1  
 20 one 4 seven 2s two 1s 1 7 2 2  
 21 one 5 six 2s three 1s 1 6 3 3  
 22 one 6 five 2s four 1s 1 5 4 4  
 23 one 7 four 2s five 1s 1 4 5 5  
 24 one 8 three 2s six 1s 1 3 6 6  
 25 one 9 two 2s seven 1s 1 2 7 7  
 26 one 10 one 2 eight 1s 1 1 8 8  
 27 one 11 nine 1s 1 0 9 9  
 28 ten 2s 0 10 0 0  
 60 54 166 280  
 0.214285714 0.192857143 0.592857143  
 2 in 10 2 in 10 6 in 10  
 4 in 10 6 in 10

This table allows us to draw some conclusions and also calculate some probabilities.

1. The number of terms that exceed the average is never greater than the number that miss the average.
2. The larger the spread, the larger the number of terms that miss the average.
3. Assuming that all of these 28 combinations have an equal change of occurring, the probability of exceeding the average is approximately 2 in 10, matching the average is also approximately 2 in 10, missing the average is approximately 6 in 10.

So if someone tells you about the advantages of investing in the market because of some statement about average returns, tell him that only four in ten investors have a change of matching or exceeding it. The other six miss out.

But this, by any means, doesn't tell the full story. Market averages are calculated using the prices of equities bought in any specific period. But that a person pays, say, \$100 for a specific stock doesn't mean the seller nets \$100. In fact, he never does, because there are transaction fees and perhaps even taxes deducted from that purchase price. So the net return is always less than the selling price. How much less? We don't know, because transaction fees vary among brokers and taxes vary over time. Yet when dealing with retirement income, it's the net that people care about, because that's the amount of money they really get. And don't be fooled by the President's desire to make the tax cuts enacted during the previous term permanent. There is no such thing as a permanent Congressional action. Any future Congress can undo anything a previous Congress has enacted.

So predicting the amount of money you'll get from your Social Security IRA, say, fifty years from today can be likened to predicting what the weather will be on February 26, 2055. How trustworthy is such a prediction?

But even this doesn't tell the whole story.

Average market yields are calculated using nominal dollars. But the value of the dollar tends to fall over time. For instance, if the dollar's value in 1955 is taken as a base, the dollar's real or constant value in 2000 was only \$0.12. That's a drop of 88%. So if we assume that you need a net income of \$2,000 a month from your IRA to maintain your current standard of living, in the year 2055 you could need \$3,760. So look carefully at how the average return is expressed. It can be expressed in different ways. For instance, it can be expressed as the return over an entire period or as the average yearly return over the entire period. But no matter how its expressed, you have to subtract the amount equal to the corresponding inflation rate from it to get the real rate of return. Now, of course, someone's going to say that still, saving for retirement is better than not saving for retirement. And that's entirely true. The question that has to be answered, however, is this: Is investing in the market the best way to do that saving? Unfortunately, that question cannot be answered with any certainty. We do, however, know this: Some people do make money investing in the market, and some lose money investing in the market. So it would be helpful if we knew how many people netted more money in real dollars than they invested over various periods of time and how many didn't. Unfortunately those figures have either never been collected or never been made public. I wonder why?

Furthermore, there is good reason to believe that this scheme to allow portions of Social Security contributions to be diverted to IRAs has sinister motives. That reason is that neither the Congress nor the Executives of our nation have given themselves retirement plans that depend upon either Social Security contributions or the whims of the market. Their retirement incomes are fixed by laws that they themselves write and are funded from the nation's general fund. And oddly enough, many



of these people don't even need retirement plans they are already worth millions; some were worth millions the day they were born.

So my fellow Americans, be careful, for you are the ones who will pay for whatever the President and Congress do. What happens, be it good or bad, is not going to affect our lawmakers a copper cent's worth. They have guaranteed their own futures. Only yours are at risk. So ask yourselves, why, if our President and lawmakers think this is such a good deal for the country, don't they adopt it for themselves? Make the President and our Congressmen depend on Social Security for their retirement incomes and then see what happens to this proposal. I suspect everyone already knows what that result would be.

## **"Free Market" Capitalism: An Ideology is a Lie Which Will not Die**

When an ordinary declarative sentence attains the stature of an aphorism, it acquires a whole set of linguistic and logical relations different from that of ordinary sentences. For instance, if someone says, "Global warming is caused by the increasing frequency of sunspots," several common questions can be asked appropriately: Who said it? Is s/he an expert or a layman? When was it said? Was it said at a meeting of scientists or in a casual conversation? Was it said seriously or in jest? What evidence was offered to support the declaration? Is that evidence true? Does the declaration follow from the evidence logically? If not, why?

When it comes to aphorisms, however, none of these questions is appropriate. Consider, for example, "the early bird gets the worm." No one cares who said it, when it was said, or where it was said. No one ever offers any evidence to support it. As a matter of fact, it might even be literally false. No one has ever tried to find out; no one even knows how to try to find out because the sentence is not about the real things denoted by its words. The sentence is not about birds or worms. So where would anyone look for evidence? The aphorism is about initiative, perseverance, promptness, or something else that is nowhere stated. Yet, like the gong of a well forged bell, it merely "rings true." It has the ring of truth.

Such sentences are special, of course. They can even be quibbled with. Do those who go to bed and rise early really get healthy, wealthy, and wise? Probably not. The literal sentence is about going to bed and rising; the aphorism is not! Readers know that

to be true even if they do not know what the aphorism is exactly about. That ambiguity is a feature of aphorisms.

But this essay is not about aphorisms; it's about one aphorism. And it quite often isn't even recognized as one. Look at it. It is attributed to the French novelist Honoré de Balzac: Behind every great fortune lies a great crime.

Although not often thought of as an aphorism, this claim has all the attributes of aphorisms described above. And it has the ring of truth. But the ring of truth alone is not probative, is it? Evidence is required.

The aphorism quite obviously is not about a specific crime or fortune. It doesn't say that every rich person robbed a bank or museum or cache of jewels. It says that every rich person must have been involved in some immoral activity in some way. But that would not be possible if the rich were acting separately. Yet they are not assumed to be part of a conspiracy either. So how could they all have been part of some great crime? Well think about it. Only by all believing in a similar ideology and engaging in similar activities which is exactly what proponents of ideologies do. Therein lies the crime, and their fortunes are its booty.

Any ideology when accepted uncritically and acted upon is a great crime.

Numerous such ideologies exist. Religious sects are founded on them and none is supported by any evidence. Could there be a greater crime than a religious war? Political viewpoints are ideologies. No proof exists that establishes that democracy, for

instance, is the best form of government. No proof exists that establishes that science will ultimately solve mankind's problems either. These are all ideologies, pure beliefs impossible of being justified by evidence. And no proof has ever been proffered to support the ideology known as free market capitalism which consists of numerous commercial practices that most people would consider unethical, immoral, and wrong if considered in any other context.

In America's mammonological crookonomy, no law exists that prohibits attempts by vendors to cheat consumers. Cheating is entirely legal. So is lying. The legal doctrine that justifies these is Puffery, and lying about the efficacy of the stuff being marketed is common. Such "snake oil" (products that don't work or don't work as advertised) is perhaps the most commonly marketed item available. Oddly enough, the "oil" doesn't even come from snakes. (Although it has been suggested that vendors are serpents.) So vendors can and do sell items that do not work at all or do not work as advertised.

No matter. The buyer is responsible for what s/he buys, so much so that if a buyer buys an item that does not work and pays for it with a check that does not work, s/he has committed a crime, can be arrested, and even jailed. That, in America, is called equal protection. Why does what applies to the goose (the vendor) not apply equally to the gander (the consumer)? Why can the vendor legally cheat the consumer but the consumer not legally cheat the vendor? Because in spite of what Jefferson wrote in the Declaration of Independence, all men are not created equal or are ever treated equally. And that's morally wrong! Why then is it allowed? Because immorality is the rock upon which America

was settled. Lying, cheating, and stealing comprise the American “way of life,” comprise America’s true Plymouth Rock.

All societies use law to protect and promote what is approved of and to proscribe what is not. If an understanding of a society is wanted, identify what it allows and prohibits and ignore what it says. Actions, after all, always have spoken louder than words. Acting out a lie is also difficult. Try it! So if you want to understand America, forget about those lofty words in the Declaration of Independence, the Preamble of the Constitution, and the Gettysburg Address and watch what it not only has always allowed to be done but what it continue to allow people to do. Make lists of how words mismatch deeds. Make lists of what Americans are allowed to do and compare those things to the things that are prohibited.

For instance, not only are vendors like Wal-Mart allowed to sell what doesn’t work or what doesn’t work as advertised, they can pass on losses they experience from shoplifting to their honest, paying customers. The vendors are allowed to adjust prices upward to compensate for the losses. Why aren’t shareholders responsible for those losses? When a fee is charged to a customer that s/he gets nothing tangible in return for, s/he is being robbed. Robbery is a crime in most circumstances but not to an American commercial vendor. Then it’s just a way of recouping a loss. The pockets of these honest customers are being picked just as surely as the pockets of those victims of pickpockets in crowds. In America all companies are allowed to do this, but ordinary pickpockets, when caught, go to jail? That’s what “Honesty pays,” means in America.

Bankers engaged in consumer lending do something similar. The consumer gets nothing tangible for the monthly fee s/he pays to a bank for having made a purchase using consumer credit. The banker claims the fee is rent for the use of his money. But how can someone be charged a fee for the use of something he never sees, hears, smells, tastes, or feels? The banker's money never comes to the consumer; it goes directly to the vendor. The consumer doesn't use the banker's money, the vendor does. But the consumer is obligated to repay it. Isn't that strange? People, you are being robbed.

Contrast this situation with putting money in a bank. When you do that, the bank gets the use of it. How much does the bank pay for the use of your money? Not nearly as much as you are charged for the "use" of its. Why? Aren't you being cheated?

Capitalists like to claim that minimum wages must be kept low to enable companies to hire inexperienced labor. A more plausible explanation is to boost consumer borrowing. People without cash can't buy except by using credit. If they were paid adequately, cash transactions would replace some buying on credit and bankers would lose their "fees." Can't have that, can we? Better to legalize commercial theft and keep wages low.

Credit-card fraud is another enormous crime in America. Yet surveillance cameras watch over almost every part of most department stores but none are to be found at checkout stations where people engaging in the fraudulent practice could be photographed and identified? Why? For decades, devices that record both photographs and finger prints have been used in places where driver's licenses are obtained. Why not at checkout stations? How many people who were being photographed and

fingerprinted would be reckless enough to use someone else's credit card? Stopping this kind of crime would be easy but no one in America wants to do it? Why not? Isn't it time someone asked? But the answer is known. Stopping financial fraud would outlaw cheating, but without cheating, free market capitalism doesn't work.

Scammers use the United States Postal Service to try to relieve the elderly and the gullible from their money all the time. These scammers work overtly, and the postal service employs an army of postal inspectors. Yet one never reads of a scammer's being arrested. Why? Because, in America cheating people is not illegal. All of America's commercial activity consists of attempts to cheat buyers.

And then there are Ponzi schemers who operate entirely in the open, advertising and holding "investment seminars." Yet no one in the SEC or FBI has any idea of who they are until a person who thought s/he was dealing with an honest broker complains about his/her money being stolen. Only then does the law get involved, but by then the money is gone—a situation reminiscent of the one in which tenth grade school children can find a dealer in illegal drugs but the local policeman cannot. Isn't it time someone asked why?

Perhaps we know the answer. Eliminating cheating would destroy the crookonomy, and the crookonomy is America's way of life.

When President Coolidge said in 1925 that "the chief business of the American people is business," he spoke of producing, buying, selling, investing and prospering. Enhancing the quality of the

human condition was not on his mind. Neither was plain old honesty or virtue.

The bedrock of American morality, however, lies on Mount Sinai in Egypt where Yahweh lightning struck the Commandments into Sinai's stone for Moses. But those commandments forbid lying, stealing, replacing the holy with commerce on the Sabbath, and coveting anything that is your neighbor's. Yet all are not only allowed in the American crookonomy, they are encouraged and rewarded.

Many Americans say their religion is in some manner a form of Judeo-Christian ideology but when considered not from what they say but from what they do, the religion of America is clearly seen to be a form of Mammonism. The recognition of this fact is what has led the ayatollahs of Iran to refer to America as The Great Satan and Pope Francis to call capitalism the Devil's Dung.

This recognition also leads to interesting scenarios. Consider just one: Little Blossom Yokum, the daughter of Abner and Daisy Mae Yokum of Dogpatch, Alabama, enrolls in Liberty University and majors in marketing. She learns of the puffery, the lying, cheating, and stealing practiced in the American crookonomy and says, "but that's wrong." Then the voice of Mathew Staver, who serves as dean of the Liberty University School of Law, can be heard in the mind's ear saying, "Yes, Blossom, it is but that's America. We at Liberty University are here to liberate you from all the Biblical teachings you have heard in Bible school. When you graduate from this university, you will be free to be as immoral as you like just as long as it promotes commerce. In America, law has replaced morality and the law says that doing wrong is right. That's the American way; enjoy it."



But Blossom is confused. Her family in Dogpatch would be horrified. To them, the Bible is the law. So she mumbles, “but it’s wrong, it’s wrong no matter what the law says.”

Some jurists, especially Roy Moore, the Chief Justice of the Supreme Court of Alabama, and even some legislators continually propose displaying the Commandments on state property, knowing full well that the Supreme Court of the United States has ruled that to be unconstitutional. Nevertheless, they persist, which can only be understood as just another attempt at puffery, just another lie. These people never propose that the Commandments be obeyed because obeying them is practically illegal in America. So is honesty in general.

The United States can be likened to an Oscar Meyer advertisement of yesteryear; it spells America b-o-l-o-g-n-a!

## GOOD CREDIT? GOOD FOR WHOM?

The people who govern America on all levels have a tendency to place the burden for solving problems on consumers. But consumers cannot solve the problems they are encouraged to solve. Some are simply unwilling to do what is required, some cannot afford to do what is required, and some who are willing and can afford to simply cannot.

I have written about this before concerning water conservation:

"You present eight suggestions for ordinary people to follow in their homes. And although each would indeed save water, the effectiveness of these solutions would depend entirely upon the number of people you could get to work together in these ways. But anyone who believes that it is possible to get enough people to cooperate in such ways to have a significant effect on the problem is a dreamer.

Yet I can think of things that can have significant effects on the problem. I have over the past many years lived in seven American states, and not once have I lived in a house that had insulated hot water pipes. As a result, one had to run the hot water two or three minutes before the water became hot enough to bathe in. And I suggest that this is happening in almost every American home. This waste could be eliminated with good building codes. But building codes require businesses to tackle the problem, and American legislators are not inclined to do that.

Here in Texas, cities are always imposing watering restrictions; yet they allow builders to put houses on unstable soil using foundations not meant for such conditions. The owners of these homes are told to keep the soil around their foundations moist year round to ameliorate foundation problems. And one city I lived in that had watering restrictions also had a recycling

program that required citizens to wash any glass ware that was to be recycled."

Any water saved by the eight suggestions would be dwarfed by better building codes.

Similar problems abound concerning recycling. Many are unwilling to go to the trouble, and others simply cannot recycle. I live in a single family home with a two-car garage, but I don't have room for multiple boxes into which to separate and store recyclables. And the alley behind the house is not wide enough to accommodate recycling bins. People who live in apartments have even less room. Many elderly and urban dwellers don't drive or have vehicles into which they can load their recyclables and cart them to recycling centers. A program requiring consumers to recycle can never succeed.

But my present concern is a more serious problem--protecting our good credit. Given the explosion of identity theft, insurance companies are now selling identity theft and credit protection insurance. But identity theft and credit protection are not consumer problems; they are banker problems caused by banking practices.

Why do bankers and other businesses continue to use social security numbers as identifiers? Why aren't the identities of borrowers verified by bankers? Why do they rely on signatures on credit card receipts and loan papers when fingerprints would effectively deter fraud, especially if fingerprints were accompanied with a photograph? Technology to enable both of these has been available for some time. And finally just who benefits most from so-called good credit?

A consumer with good credit does enjoy some convenience, but s/he pays a hefty price for it. Consumers who don't use credit or use it sparingly save all the money that goes to banks as interest. As a result, they can buy more, not less. And if everyone had bad

credit, the bankers would either have to find other means of identifying reliable borrowers or curtail their lending. But lending is the mana of banking. No lending, no profit. Consumers with bad credit save the money that consumers who use good credit regularly send directly to banks.

So as long as bankers continue to use the practices that allow fraud to flourish, consumers will always be at risk of identity theft no matter what safeguards they engage in. Consumers cannot solve the problem, only bankers can. But the bankers will lead you to believe that they can sell you something that will protect your good credit when all they really want is more of your money. The good credit they want you to pay to protect is the credit that is good for them, not you.

## GLOBAL CRISIS: IS ECONOMICS RATIONAL?

*Do Economists Understand the Causes and Consequences of the Crisis?*

Classical/neoclassical economics has consistently protected the wealth of the privileged; it has preserved the status quo. This is capitalism's intent, and the evidence for it is overwhelming. It has impeded the improvement of the human condition for two hundred years, and unless it is scrapped, it will continue to do so. No mere change in government can stop it.

Aristotle defined human beings as rational animals, and even today, few people would openly describe themselves as irrational; yet many are. Even so, people don't generally go around calling their decisions, choices, and expectations rational or calling what they do rational activity. Except, that is, economists! They modify sundry and diverse nouns with "rational." In a short search of a few documents, the nouns actors, calculations, choices, decisions, expectations, firms, foundations, investors, outcomes, prices, responses, self-interest, societies, systems, and workers are all modified by "rational," and some seem oxymoronic when so modified. For instance, how is it possible to have an irrational self-interest? And if that isn't possible, what sense does modifying "self-interest" with "rational" make? Why economists feel the need to continually cite the rationality of classical economics is curious. Astronomers, physicists, chemists, biologists, mathematicians, engineers, and others have never felt a similar need. Physicists never speak of rational forces, rational particles, or rational mass. Chemists don't speak of rational reactions. Mathematicians never speak of rational calculations. One begins to wonder whether economists can be likened to the proverbial errant child who almost

automatically utters, “I didn’t do it!” when everyone knows that s/he did. One wonders whether they continually call themselves and economics rational because that’s the only exculpatory response they can think of when what they proclaim turns out, as it so often does, to be wrong.

But if rationality is a human attribute, it is at best a latent one. Activating it requires care and nurture. And some studies have suggested that the ability to activate it declines as people age. Anyone who has tried to teach even basic logic to college students knows that most never acquire enough facility to become even moderately proficient. Many professors who are tasked with teaching it lack the ability to construct even moderately advanced chains of valid reasoning, and for decades, the most used textbook for such courses presented a set of logical rules so deficient that even if a student mastered them all, s/he would have been unable to apply them efficiently. Furthermore the findings of psychologists who have devised experiments to measure rationality claim to have shown that few people consistently behave in rational ways. But this finding is not interesting. Who, other than economists, hasn’t known it? Even Aristotle must have known it more than two millennia ago; after all, he was familiar with the irrational claims Plato clearly exposed in his Socratic Dialogues. So the acute question is why economists don’t know it, why they persist in accepting classical economic theory?

Those psychological experiments, however, when examined carefully are difficult to interpret. Although the psychologists claim to be measuring rationality, what, if anything, is really being measured is not easily seen. For instance, Prof. Daniel Kahneman is reported to have devised this experiment:

“let’s take two groups of people and ask the first if the tallest tree in the world is taller than 300 meters. Then let’s ask them how tall the tallest tree in the world is. Then we repeat the exercise with the second group, asking them whether the tallest tree in the world is taller than 200 meters, and then how tall it is. At the end of the experiment, we find that the first group’s average answer to the second question is, around 300 meters, and the second’s is around 200 meters. Why? [Because] People tend to latch on to a certain ‘anchor’ – usually one they come across by chance – instead of trying to use a more rational way to gather and process data and make economic decisions.”

But it is difficult to see how this experiment proves anything about rationality. The experiment requires the participants to merely guess, and guessing is not a rational activity. No rational participant would have even answered the initial question. S/he would have responded by asking something like, How would I know?, and the experiment would have collapsed.

But other experiments are more revealing. For instance,

“One of the more compelling studies described . . . involved trick-or-treaters. A few Halloweens ago, Ariely laid in a supply of Hershey’s Kisses and two kinds of Snickers – regular two-ounce bars and one-ounce miniatures. When the first children came to his door, he handed each of them three Kisses, then offered to make a deal. If they wanted to, the kids could trade one Kiss for a mini-Snickers or two Kisses for a full-sized bar. Almost all of them . . . opted for the two-Kiss trade. At some point, Ariely shifted the terms: kids could now trade one of their three Kisses for the larger bar or get a mini-Snickers without giving up anything. In terms of sheer chocolatiness, the trade for the larger

bar was still by far the better deal. But, faced with the prospect of getting a mini-Snickers for nothing, the trick-or-treaters could no longer reckon properly. Most of them refused the trade, even though it cost them candy. Ariely speculates that behind the kids' miscalculation was anxiety. As he puts it, "There's no visible possibility of loss when we choose a FREE! item (it's free)." Tellingly, when Ariely performed a similar experiment on adults, they made the same mistake. "If I were to distill one main lesson from the research described..., it is that we are all pawns in a game whose forces we largely fail to comprehend."

What are the problems with this experiment? There is absolutely no evidence that any child or adult involved did any "reckoning," and if no reckoning took place, no "miscalculation" could possibly have occurred. After all, people do make choices on impulse. So how does this experiment prove anything about rationality?

Just ask how a calculation, choice, decision, expectation, outcome, responses, or anything else can be determined to be rational. The only answer is by examining the reasoning process that led to it. But the experiment was built in a way that made any examination of any reasoning involved impossible. The description above says that when the experiment was performed on adults, "they made the same mistake," that is, they selected the free bite-sized Snickers bar. The "mistake" was that they didn't select the larger bar and maximize the amount of chocolate they were receiving. But what if they didn't want to maximize the amount of chocolate? Suppose, for instance, that an adult desired more chocolate than was in the three Hershey Kisses but was also trying to lose weight and didn't want to over indulge. Or suppose that an adult wanted more chocolate, didn't want to eat it



immediately, but instead, wanted to put it in a pocket but had no available pocket large enough in which to comfortably place the larger bar. Or again, suppose that an adult wanted more chocolate but wanted to eat it in one bite so that his hands were free for other tasks. In all three of these cases, selecting the mini-Snickers was the rational choice. The mistake made in this experiment was made by the designer, not the participants. He assumed that the only rational choice was the one that maximized the amount of chocolate obtained. But rationality cannot be determined by arbitrary definition. Rationality is an attribute of deliberative processes and nothing that does not involve a deliberative process can be called rational. Human beings do engage in thoughtless activities. When doing so, they are not engaged in rational behavior. But they also sometimes think about what they are doing. When their thinking conforms to well-known norms of logic and is based on true premises, it is rational, when it doesn't, it is not. The thinking, not the result, is the deciding factor.

This experiment, however, is revealing, because economists do exactly what the experiment's designer has done. Defining the maximization of the amount of chocolate is perfectly analogous to maximizing one's income, and economists define that result as the only possibly rational one. Thus everything economists describe as rational is mere tautology. Unfortunately tautological theories, being hollow, are not rational, so neither are classical economics and the economists who advocate it.

In fact, rationality is a poorly understood concept. Consider this quotation from the Haaretz article cited above:

“Psychology today differentiates between two methods of thinking: There is the intuitive method, and there is the rational

one. The intuitive method is characterized by rapid learning, and it concludes very quickly that what has happened the last three times will happen forever, again and again.”

But what is here described as the intuitive method is nothing but an example of a well-known fallacious mode of reasoning known as hasty generalization, so what is described as “two methods of thinking” amounts to nothing more than good and bad, which is hardly a remarkable observation.

In fact, none of the fifteen nouns mentioned in the first paragraph that economists modify with “rational” are rational in themselves. They can only be called rational after the deliberative processes that lead to them have been examined, but no economic theory could ever do that. And to merely assume they are rational when they lead to a predefined result is as irrational as making choices on impulse. So why do economists believe in their theory?

Once put into practice, rational people judge theories, policies, and practices by how well they satisfy the intentions which led to their implementations. Unless the intentions are known, no sound judgment can be made. For instance, some years ago the Congress enacted harsh, mandatory sentencing of criminals. What was the Congress’ intent? If the intent was to reduce crime, the policy has failed. If the intent was to merely punish criminals, it might be said to have succeeded. But what is some Congressmen intended the former and some the latter?

When we look at classical/neoclassical economics, how can it’s intent be determined? In the absence of any stated purpose, one can examine the things it does and those it doesn’t. In the two plus centuries it has been practiced, orthodox classical capitalism

has not brought a growing or even a stable level of prosperity to the peoples who inhabit the countries in which it has been practiced. spurts of apparent prosperity have been continuously destroyed by economic crashes that have over and over again ruined the lives of millions.

But what if its intent has never been the promotion of the people's prosperity? What, if any, result has it attained consistently? Well, it has consistently protected the wealth of the privileged; it has preserved the status quo. The wealthy privileged increase their wealth in good times and in bad. The system works for the privileged just as the market works for stock brokers who make money when prices are rising and when they are falling. If this is capitalism's intent, and the evidence for it is overwhelming, understanding the Obama administration's, and the developed world's, response to the current economic downturn is easy. As the meager apparent wealth that the common people acquired during the better years now disappears, as they lose their jobs and homes, the wealthy institutions and the people who manage them and created the downturn are rewarded and prevented from failing by obligating the common people to someday repaying a growing colossal national debt incurred for the sake of those privileged. None of this makes sense unless capitalism's intention is to preserve the status quo at the people's expense.

Of course, we're told that a stable financial system is essential to economic prosperity. We're told that credit must be easily acquired again, so that businesses can meet payroll and consumers can resume buying. But these claims are also irrational. Businesses properly should be capitalized by investment and products should be purchased with earnings. So why do governments claim businesses and consumption need to be financed by debt? The answer is really very simple. The

wealthy increase their wealth by lending and they do it without even having to use their own money by means of the Ponzi scheme known as fractional reserve banking. And when debtors cannot meet their obligations, their assets are acquired by the wealthy at fire sale prices who then become even wealthier. This is what capitalism does; it does it consistently and spectacularly. It really can have no other purpose. Credit is good only for creditors; debtors always lose.

What is there about this that economists cannot understand? Are they absolutely irrational or complicit? Each must answer for him/herself. But the economic system they advocate is nothing but an irrational tower of Babel that is based on principles derived from simplistic, imaginary situations and assumptions about rationality that are contradicted by hundreds of years of evidence, and is devoted to the worship of Mammon which benefits only the rich. Capitalism has been very successful; it has impeded the improvement of the human condition for two hundred years, and unless it is scrapped, it will continue to do so. No mere change in government can stop it.

## GLOBALIZATION AND IMPORTS FROM CHINA

John Manzella, President of Manzella Trade Communications, has a piece in today's Dallas Morning News titled "Dont Ignore Benefits of Trade." This piece is accompanied by another by Alan Tonelson, a fellow at the US Business & Industry Council. Both pieces are responses to the question, "Should the U.S. restrict food and drugs from China until they can be certified as safe?" Mr. Tonelson says yes and Mr. Manzella says no.

Mr. Manzella's piece is curious in a number of respects. First, he has an obvious financial stake in the issue, which requires any objective reader to require him to prove rather than merely make claims. Second, his claims are weird.

"Chinese imports likely will continue to be a problem in the short term," he writes. "That's why American importers need to step up to the plate and assume greater responsibility." Well, sure, wouldn't the country be a wonderful place if American companies stepped up to the plate and assumed responsibility for the safety and effectiveness of their products? But they never have.

Then there is this: "if we were to ban all food and drugs from China until they could be certified . . . what do we say about contaminated imports from other countries? And what would other countries say about tainted imports from the United States?"

Well, shouldn't they all be banned? What's the problem here? American companies shouldn't be sending tainted products to other countries, and other countries shouldnt be sending tainted products here or anywhere else. Apparently Mr. Manzella believes that it is perfectly okay for businesses to peddle tainted products, but I'd like to see just how he'd justify that belief.

But lastly Mr. Manzella is a pot calling the kettle black; he engages in ad hominem slurs. "America's trade detractors continue to deceive the public. . . . The truth: Chinese trade benefits American businesses and families enormously. In fact, by 2010, Chinese trade is projected to boost U.S. real disposable income per household by \$1,000 per year. . . ."

Hum! Projected, by 2010, and \$1,000 per household per year. Well, what if the projections go unfulfilled? And \$1,000 per year is \$83.33 cents a month or \$20.83 a week or \$2.97 a day, which will be undoubtedly be reduced considerably by inflation alone. Did Mr. Manzella say that the detractors of trade are deceiving the public? All of this globalization may buy one of your kids a happy meal. Now that's one enormous consumer benefit, isn't it?

But there's more: "And this is on top of current annual income gains of 10,000 for each American household attributable to overall trade and globalization."

Well, I don't know about you, and I don't know what attributable means, nor do I know who is doing the attributing, but I know my family hasn't seen any such gain in current annual income. After paying our regular monthly bills and purchasing our ordinary amounts of food and clothing, we don't have \$800 dollars left over, and I haven't heard a single family or even economist extol the wonders of this extra money. So Mr. Manzella, don't tell us how well off we are, just show us the money, and until you do, your argument will never convince anyone who is not already a member of the congregation. Preaching to the converted isn't proselyteing.

I haven't read the studies Mr. Manzella cites in support of these figures, but my past experience with such so-called studies makes me discount them, because they are usually based on a process such as this: A macro-economic figure is calculated from some data (sometimes validly and sometimes not). This figure is then

divided by some other number that represents the population, the number of families or households, or something else and then the quotient is attributed to the micro-economic entities. This process commits the elementary fallacy of division, which every college graduate should recognize.

So, yes! The globalization debate does involve deception, but it is not coming from the critics of globalization. Mr. Manzellas pot surely is black. The kettle, however, is not.

## HOW THE ECONOMY WORKS: THE NECESSITY OF CRIME

*“Money makes the world go around*

*A mark, a yen, a buck, or pound*

*Is all that makes the world go around.” – song from Cabaret*

The economy is merely a sum of money, not practices that sustain the oikos, and the money that makes up the sum is equally valued whether it results from virtuous or vicious, good or bad, constructive or destructive, humane or inhumane, legal or illegal, beneficent or malevolent practices. Whether people benefit or are injured is never an economic concern. People, like everything else that is not monetary, are irrelevant.

Once upon a time, as all good morality legends begin, mankind lived in a natural habitat. People toiled, but none worked at anything like what is today called a job. They hunted, fished, trapped and gathered berries, fruits and edible roots. Later people learned to cultivate land and domesticate and herd animals. Yields were shared with all members of their clans—the young and the aged, the able and the disabled, the well and the ill. From each according to his ability; to each according to his needs was common practice, not an ideological precept. And the human race flourished. Villages around cultivated plots grew into towns and towns into cities. But somewhere in the progression, something went horribly wrong. People stopped sharing! People with a this began to trade with others for a that, and what is now known as commerce began.



Trouble is, having been removed from a natural habitat to an unnatural, artificial one, everyone didn't have a this to trade for a that. The haves became distinguished from the have-nots. What were the have-nots to do? Well, they could beg or sell themselves or revert to being what they would have been in their natural habitat—hunters and gatherers! But now the prey were the haves and their property became gatherable. So what were the haves to do?

They could have gone back to sharing, but they didn't! Instead, they developed ways of guarding what they had. They assigned some to enact rules and others to enforce them. Some people got jobs, rulegivers and guards. Whenever a rulebreaker was caught, s/he had to be tried. More jobs were created—lawyer and judge. When convicted, the rulebreaker had to be punished, and prisons came into being with their wardens and guards. When prisoners were released, they had to be monitored so now probation officers were needed. All of this costs the haves a lot. Wouldn't sharing have been cheaper?

Perhaps, but people couldn't revert to that now. For all of these guard-workers, as they are now often called in the literature, constitute an economic activity in itself. To go back to sharing would turn them all into have-nots. But these are now important and powerful people. Judges, lawyers, legislators! Have-nots? Heavens no! Although loath to think of themselves in this way, these people are nothing but ballyhooed security guards. Compared to fish, they are the aquarium's bottom feeders. What would they be without crime?

The commercial enterprise of guard-working is like every other commercial enterprise. To profit, it must grow; but to grow, crime

must increase. Without increasing crime, guard-working atrophies. What came into being in order to control crime now requires it. Crime has become a necessary part of the economy. It can't be eliminated; it can't even be reduced without affecting the economy adversely. Economists love it. So do lawyers, legislators, and judges. But they won't admit it! The commercial activity of guarding the haves and their property has to be fed.

Oh, poppycock some reader will say. Perhaps, but lets abandon the once upon a time and return to now is the time.

Why are some members of Congress intent not only on reducing the social safety net but eliminating it? Because keeping the backs of have-nots to the wall increases their likelihood of becoming criminals to be fed to the guard-workers? And why are these same members of Congress unwilling to curtail the activities of the military-industrial complex? Well, AK-47s come from there and they are productivity enhancing technologies. They make guard-workers and criminals more efficient. And economists? Well, consider how domestic product, the broadest measure of the economy, is measured.

Gross domestic product (GDP) is the market value of all goods and services bought in a given period. In short, it measures how much money is spent. When more money is spent GDP goes up, when less is spent, GDP goes down. When GDP goes up, the economy is said to be growing, when GDP goes down, the economy is said to be shrinking. This implies, of course, that "the economy" is nothing but a number.

Well, what's wrong with that? Here's what:

Say an arsonist sets a huge building on fire and the fire causes so much damage that the building can't be repaired. The owner hires a vendor to tear it down and remove the refuse. The cost of doing that is domestic product. In a sense, destroying something makes it into a product. Joseph Alois Schumpeter, the Arnold Alois Schwarzenegger of economics, called it "creative destruction" —stuff is destroyed to create domestic product. In reality, crime creates a huge amount of domestic product. The cost of the weapons and tools used by criminals is domestic product. If caught, the cost of an accused's trial is domestic product. If convicted, so is the cost of her/his incarceration.

But it's even worse. The murder of a person creates domestic product. A century or so ago, especially in America's Midwest, when a person died his family found a pleasant spot behind the homestead and dug a grave. Today that can't be done; today death is a moneymaker. First the services of an undertaker is required, next a coffin must be purchased, then a cemetery plot and flowers for the viewing are acquired. A person's death makes domestic product grow and grow. The economy gets better and better. Absurd!, you say. Yes, it is, but that's exactly how the economy works.

So think about it. When a group of Saudi's brought down the World Trade Center, they created domestic product, a lot of it. Most Americans consider these people as terrorists, but from an economic perspective, they are job creating entrepreneurs. Count all the people employed in cleaning up the site and rebuilding the buildings. It's a fulfillment of Schumpeter's dream, but he should have called it "destructive creation."

If you want to know why Americans can't have gun control, think Schumpeter's dream. So-called legitimate businesses make money from death in America. Killing in America is an economically creative activity. It takes human beings and turns them into domestic products. GDP grows with every crime. Without crime, GDP would plummet.

So what is the moral of this legend? How about, "If you want to make the economy better, go out and kill a lot of people." It won't do much for the country or its people, but GDP will explode and economists will salivate over how good the economy's fundamentals are.

Can you imagine anything more absurd? No matter, because that's how the economy really works. It has no relationship to people and their welfare. Money made by a destructive activity is just as good as money made from a creative one. Money made by stealing is just as good as money made honestly (as every banker knows). Laundered money is just as good as clean money. Money made by killing (here or abroad) is just as good as money made by giving birth. That's how the economy works. Neither people nor the quality of anything matters; only the money made does, and the political chorus chants,

Money, money, money, money.

Money, money, money, money,

all this in a nation comprised of people, eighty percent of whom claim to be followers of a deity who proclaims that the love of money is the root of all evil, and not a single cleric complains.

That, dear reader, is how America works. The economy is merely a sum of money, not practices that sustain the oikos, and the money that makes up the sum is equally valued whether it results from virtuous or vicious, good or bad, constructive or destructive, humane or inhumane, legal or illegal, beneficent or malevolent practices. All of that lucre is filthy. Whether people benefit or are injured is never an economic concern. People, like everything else that is not monetary, are irrelevant which makes this economy totally immoral. This message from a prominent financial advisor proves it:

“As investors, we absolutely must not let our political beliefs, the news media, or anything else stand in the way of our quest to grow our hard-earned money into lasting wealth.”

## HOW THE GOVERNMENT CHEATS ORDINARY TAXPAYERS

Everyone is aware of the penalties the government charges taxpayers who underpay their taxes, but it never seems to care much about the overpayment of taxes caused by poorly written or unfair legislation, which systematically cheats taxpayers.

Recently, people have been allowed to deduct either state income taxes or state sales taxes, and since for some years sales taxes were not deductible even in states without income taxes this certainly is a benefit to taxpayers. But it is a benefit that cheats.

Everyone, including Congressmen, should know that it is practically impossible for a taxpayer and all of his family members to collect, keep, and maintain each and every sales receipt received over the course of a year. And even those collected sometimes turn out to be useless because the ink fades to a point where they become unreadable. So, in effect, taxpayers cannot take full advantage of this benefit, which means that they overpay their taxes. If a company offered a ten percent discount on a product but only delivered nine percent, it would be guilty of a fraudulent transaction; yet, the government does it all the time.

But there is another feature of the tax code that is even more heinous. Say a person buys a house for \$150,000 and after five years sells it for \$175,000. Unless the person reinvests this sum in another house, he owes the government a capital gains tax on \$25,000. But the person has realized a \$25,000 capital gain only if the value of the dollar has remained constant over the five years. Yet that is rarely the case.

For instance, if inflation over the five years averages three percent, the value of the dollar has shrunk to \$0.89 and the true capital gain is only \$6,173. But if inflation over the five years

averages four percent, the value of the dollar has shrunk to \$0.85, and the taxpayer has actually experienced a capital loss of \$478. Only the government can get away with this kind of cheating, and its very existence proves that equal treatment under the law is not a Congressional concern. Isn't this a violation of the equal protection clause of the Constitution which all Congressmen have sworn to uphold?

## HUMANITY: THE ABLE BUT UNWILLING SPECIES

### *Miracles, Human Nature, and Beneficent Behavior*

When philosophers have considered miracles, their possibility was usually the concern. Were miracles possible? Some thought so, some not. But answers to that question didn't tell us anything about human beings themselves. That a revered godhead made miraculous things happen is not indicative of anything that people can or cannot do. People are not gods! But thinking about miracles can teach us a lot about ourselves.

For instance, Jesus is said to have performed numerous miracles of various kinds. Miraculous cures, exorcisms, resurrections, and group feedings. Although they may have been important to the people on whom they were performed, in the great scheme, they were not noteworthy and went unnoted by any objective chronicler. They were truly trivial. Yet the implications of performing or not performing miracles are quite revealing.

Consider the feedings. Jesus, using only five loaves and two fish, fed thousands of men, women, and children, and had food left over. But if Jesus had that ability, why didn't he use it to feed the hungry everywhere he went? He is said to have resurrected three ordinary people who apparently died of natural causes, but why only three? And why nobody of any importance? The answer seems obvious: either he couldn't or he was unwilling to. Assuming he had the ability, he must have been unwilling, and that's a significant implication,

Dogma states that mankind is made in the image of God. What follows is that is God has the ability to do beneficent things but is



unwilling to. So when mankind has the ability to do good, that people will be unwilling to do so can be expected. The same implication follows even if mankind's conception of God is anthropomorphic, that mankind's conception of God is made in the image of man. The conceptions of man and God are identical in any case. What follows in either case is that both mankind and God lack a propensity to act morally. The ability to do good is often accompanied by an unwillingness to do it.

My anecdotal observations of the actions of human beings support this conclusion. How many times do people who can clearly do the right thing fail to? Why? Numerous reasons can be cited but all can be subsumed in an unwillingness. In fact, this unwillingness seems to be such a fundamental attribute of human nature that human beings attribute it their gods.

But ask yourselves what we would say about a physician who had the ability to restore the sight of the blind but only used it rarely and selectively? Would we think highly of him? Yet the manufacturer of a helpful drug who supplies it only to those who can afford it is not thought poorly of. What kind schizophrenia is this? Americans bemoan the beheading of an American by ISIL but cheer the assassination of Osama Bin Laden. Yet the Commandment says thou shall not kill, not thou shall not kill countrymen. People are expected to be truthful in courts of law but are assumed to be dishonest in the marketplace. The dishonesty is legally called puffery! And what do we say about a nation that can feed its hungry but is unwilling to, that can house its homeless but it unwilling to, that can treat its sick but is unwilling to, that can pay its laborers a gainful wage but is unwilling to? Evil persists in this world not because the good do nothing but because those with the ability to do good are unwilling to.

Hillary Clinton has called America a force for good in the world. Is she delusional or merely dumb? Historically, America has never been a force for good in the world. Not once! Unfortunately no other nation has either. Mankind's unwillingness to do good even when able is pervasive.

So if mankind is to be prevented from exterminating itself, the conception that mankind has of itself and of its gods must be altered fundamentally. Otherwise, death, destruction, and human suffering will continue unabated until everything disappears in a all enveloping conflagration.

## **HUMANITY AT THE CROSSROADS: BUSINESS AND JOBS**

What's known as the economy has not only had horrid consequences, it is ultimately unsustainable. In two centuries, it has turned human beings into beasts of burden and their rulers into mere teamsters, it has polluted the Earth, extinguished uncounted species and exterminated millions of people, it has denuded forests, melted glaciers, and is in the process of depleting un-renewable natural resources. Someday, no natural resources will be available for industrial processing, and this economy's assets will turn to dusted rust.

The economy, which is nothing but a collection of abstract ideas to which humanity is being sacrificed, has brought all of this about. If human beings and life in general survive, humanity will have to revert to its natural state in which jobs are done in cooperation with nature rather than in opposition to it.

Conventional wisdom is seldom wise; worse, it is often completely false. And when it falls into the category of the obvious, it is doubly dangerous for its obviousness makes it more difficult to question.

No one defines the word 'freedom' or lists the things Americans are free to do that people in other advanced democratic nations cannot, but who questions the claim that the American people are the freest on earth? No one provides a comparison of poverty in America to poverty in other developed countries, but who questions the claim that America is the most prosperous nation the world has ever known? No one mentions that America has not decisively won a major war in more than thirty years although it has fought perhaps a dozen or more, yet who

questions the claim that America has the strongest military power yet created? All of these conventional, obvious bits of common wisdom are dangerous; they lead Americans into a false sense of complaisant superiority that is bringing about the country's undoing.

There are many such conventional, obvious bits of common wisdom. An encyclopedia would be required to list them all, but there is one so astoundingly false that I have never been able to understand why anyone believes it even though everyone seems to: businesses create jobs!

In fact, even deciding what this assertion means is difficult. If it means that only businesses create jobs, it is patently false. Not only do governments and even individuals create jobs, jobs existed for millennia before any businesses as we know them came into being. Ever heard of hunters and gatherers? Hunting and gathering are jobs that people worldwide engaged in. So are herding, trapping, fowling, planting, harvesting, building, skinning, preserving as in drying, cleaning, and the ubiquitous cooking. When a mother cooks her family's dinner, she is doing a job but not for a business. When an otherwise unemployed person is hired to cut your lawn or clean your house, you, not a business, are creating a job. In fact, throughout most of human history, these were the types of jobs human beings engaged in; they did not work for businesses! Businesses did not create any jobs. Anyone who doesn't know this should never have been awarded a diploma from any university, not an MBA, a Ph.D. in economics, or a J.D. Not even a simple B.A.

American politicians and economists take this unquestioned falsehood and attempt to make it the keystone of an economic

policy and commercial law that makes the company more important than the species. People are made into factory fodder to be used like any raw material; buyers are cautioned to beware because merchants are expected to cheat, the courts will uphold a merchant's claim against a buyer but deny a similar claim made by a buyer against a merchant. In other words, the company is placed in a superior position to the worker, the job holder, the consumer, the person. The economy becomes a Hegelian master-slave relationship which has never been synthesized.

But what the proponents of this false bit of conventional wisdom fail to recognize is that it has a logical converse. Businesses do, of course, hire people and thus create jobs. Business is a necessary condition for jobs of this kind. But in like manner, the availability of labor is a necessary condition for the existence of business. One is no more important than the other. There is no logical or even practical reason to value the business differently than the jobholder. Just as businesses make jobs possible, workers make businesses possible. The only reason business has a predominant position in the economy is that policy makers have either eliminated or prohibited most other kinds of jobs. If you want people to be only factory fodder, prohibit them from being anything else.

One wonders, of course, how people who held jobs for millennia without the intercession of businesses suddenly, almost overnight in historical terms, became factory fodder. It happened because the masses were driven from the land. They were driven into cities where the kind of work people had done for millennia was no longer available. The only critters available for the hunt are other people and the only stuff to be gathered are other people's property. Industrial capitalism turned hunting and gathering, the

most basic forma of work, into crimes. Property became more important than people.

How did this come about? We shall never know. The event has been buried by the dust of time, but we do know who tried to justify it.

John Locke, in his *Second Treatise on Government* argues that there are three natural rights –life, liberty, and property. Thomas Jefferson, who was familiar with Locke’s writing, said, “Oh, no. That’s a receipe for tyranny by the status quo and altered the trilogy into life, liberty, and the pursuit of happiness. What Jefferson saw and Locke didn’t was that if all the property were already owned by the aristocracy, making property a right gave exclusive possession of it to those who already had it, which made the Hegelian master-slave relationship irresolvable, and so it still stands today. Worse, it has been chiseled into a legal wall of separation by the American federal courts when they imported English Common Law into American jurisprudence.

What’s known as “the economy,” industrial capitalism, has not only had horrid consequences, it is ultimately unsustainable. In two-short centuries, it has turned human beings into beasts of burden and their rulers into mere teamsters, it has polluted the Earth’s atmosphere, its streams, rivers, lakes, and oceans, extinguished uncounted species and exterminated millions of human beings, it has denuded forests, melted glaciers, and is in the process of depleting un-renewable natural resources. Someday, no natural resources will be available for industrial processing, and this economy’s assets will turn to dusted rust. Industrial Capitalism carried within it the seeds of its own dissolution. Its process is a physical *reductio ad absurdum*. If

human beings in particular and life in general survive this collapse, will humanity revert to its natural state? Will the jobs people do be done for the benefit of human beings rather than for an artificially constructed economy?

The economy's leaders have indirectly brought all of this about by their policy choices, but the economy has done it directly. What is happening to humanity is being brought about by the economy which now controls the actions of leaders and the fates of people. Everything that happens is a consequence of it, and it is nothing but a collection of abstract ideas to which humanity is being sacrificed.

Some will say that technology will be our savior. But that is nothing but a belief based upon a hope, a unicorn on the back of a chimera, that is, too, more likely false than not. Technology has been far more destructive than constructive. Every technological advance has brought with it its own horrors. Business is not a human benefactor, and technology is just another kind of business. It does not exist for you and me any more than hedge funds do. It exists only for the sake of the economy.

## ILLEGAL IMMIGRATION-THE OVERLOOKED SOLUTION

Immigration, especially the illegal kind, is fundamentally an economic issue. Until it is solved, no amount of barbed-wire, cement walls, laws, or enforcement will stop it. To stop it, the economic conditions in the countries that people want to leave have to be made good enough to make them want to stay at home. This, however, requires a shift in economic thinking, for as long as labor is thought of as a commodity rather than a resource, nothing will change.

The world-wide economic question to be answered is this: What does it take to make people everywhere active consumers rather than passive laborers? And the answer, of course, is money.

When thought of as a commodity, current economic thinking requires that labor be purchased as cheaply as possible, whether the purchase is being made domestically or abroad. The consequence of this, however, is that such people can at most become marginal consumers, especially since current economic thinking also requires that prices be set as high as the market will bear. But what the current economic thinking fails to notice is that marginal consumption yields marginal profits.

If economic thought shifted to viewing labor as an economic resource, the emphasis would not be on protecting the investments of stockholders, it would be on increasing the wages of labor without taking those increases back in higher prices. As labor earns more, laborers consume more, businesses sell more, and profits take care of themselves, and shareholder value rises. Most people would be satisfied with the economic conditions in their native lands, and immigration would diminish to a trickle.



When economists began to think of labor as a commodity, the world economy was sent on a road to meager consumption, economic business cycles, continuous uncertainty, and huge amounts of never ending poverty. Yet the road back is quite simple. All we need is the will to take it.

## INCOME, IFCOME, AND WISHCOME-INVESTING IN THE MARKET

The Autumn 2005 issue of Fidelity Investments' Stages was delivered this week. Except for an article on how the consumer price index is calculated, it is a verbal tempest amounting to a trifle.

This publication is always a mishmash of hunches passed off as advice, anecdotes that signify nothing, suggestions so heavily qualified that they are meaningless, and even downright contradictions, all of which comes cloaked in the regal robe of financial planning.

An article entitled, The Insight [sic] of 1,000 Millionaires , (could these thousand individuals really have had only one insight?) describing an interview with author Jim Trippon, contains the following statements:

1. You can build wealth by developing a game plan and sticking with it.
2. IRAs can be powerful tools. . . .
3. So, if you can save money on a pre-tax basis and let it grow tax deferred, that may significantly boost your rate of return.
4. A professional financial adviser might help you preserve your wealth.

Well, at least he got the last sentence right grammatically. Note that none of these sentences contains the verb 'will,' and the subjunctive 'might' clearly implies doubt and unreality.

Another article, 7 Things You Need to Know About Sector Investing is also full of highly qualified sentences, which makes me wonder how one can know something that is so highly uncertain.

1. a proper mix of sector funds may help long-term, diversified investors pursue above-average growth, and may at times serve as a hedge against downside exposure.
2. Investors . . . may feel a sense of comfort by allocating assets to industries they know something about.
3. A sector fund strategy may be suitable for any investor. . . .

The writer of that article apparently never learned the use of the subjunctive mood in the English language, since all three of these sentences are rife with doubt.

There are many more of these highly and incorrectly qualified sentences in this issue of Stages , such as, ". . . saving money today can put you on a path to a more comfortable retirement." But will it?

And then there is this downright nonsense. In The Inflation Trap, the author rightly points out that using average inflation rates is not a good way of trying to estimate the income needed at retirement, but on the following page uses average market returns to justify investing. But if average inflation is not a good way of estimating the amount of money needed at retirement, how can average returns be an effective way of estimating the returns that one can expect? Is this guy mentally challenged? Of course, to give credit where credit is due, he does write that ". . . no strategy is guaranteed to deliver a profit or protect against a loss," and "Remember that past performance does not guarantee future results." Goody-goody!

So what's the real skinny on investing in the market? Here are some truisms:

1. Investing in the market is not a form of saving; it is a form of wagering.
2. Exactly like gamblers who develop systems for beating the odds, financial managers develop strategies for beating the

odds, and strategies do not work any better for financial managers than systems work for gamblers.

3. Forget the long-term; it is a meaningless concept. The long-term always starts tomorrow. A person who has been investing for say thirty years will need his nest-egg tomorrow, but the market crashes today. To tell him the market will recover over the long-term is no consolation whatsoever. His thirty-year long-term counts for absolutely nothing.
4. Don't even think about averages. The average return is something that no one gets. And given the nature of averages, except for the one special case in which the average equals the median, there always are more entries below the average than above. So whatever the average is over some period of time, expect to get something considerably less, because the odds are that any specific investor will fall into the below average part of the list.
5. Hugh numbers of people investing monthly in the market artificially inflates the values of stocks. All of this 401 and IRA stuff simply gets more money chasing a limited number of stocks; demand rises faster than supply. The only guaranteed beneficiary is the stock broker. So why then do we do it? The simple answer is that it's the only game in town.
6. Some is better than none. No method of saving has yet been implemented that guarantees that the contributions made to it will not decrease in value in real dollar terms. Even so-called inflation adjusted plans are misnomers, since the way the CPI is calculated rarely reflects the true cost of living.

In *The Insight of 1,000 Millionaires*, Mr. Trippon is characterized as saying, "The problem is that most people live on what I call their 'ifcome,' not 'income.'" I'm indebted to him for the coinage used in the title of this piece. But it is evident to me that the people at Fidelity Investments are living off what might best be

termed the wishcome of investors. Investors, like tourists, throw their pennies into the fountain and make a wish. Sometimes the wishes come true; most often they do not.

## INVERTED ECONOMIC POLICY

Economists are a strange lot. Instead of critically examining the theoretical foundations of economic theory, these foundations are assumed to be true. These economists then spin their wheels analyzing the mechanisms of a theory into minute detail, forgetting that if the theoretical foundations are bad, so are the analyses of the mechanisms. So leaving all theory aside, what really is an economy?

Etymologically, the word is related to household management. And household management is the essence of the enterprise. An economy supplies households with the things needed to sustain their existence. Over time, the things which are needed change. A household in a primitive society needs considerably less than one in an advanced industrial-technical society, but the essence is constant.

Various means have been used to carry out this activity. Self-sufficient hunting, gathering, and growing, bartering, exchange, and even criminal activities such as theft. But the goal is always the same: manage the household.

In today's world, the economy consists of (1) vendors who offer products for sale that households need or desire to maintain themselves in some predefined standard of living and (2) buying members of households who purchase the products offered for sale by the vendors. For this type of economy to work, two things are required: (1) sufficient quantities and types of products to satisfy the needs of buying households, and (2) sufficient means in the hands of households to purchase the needed or desired products. When these factors are out of balance, the economy fails. If insufficient quantities or types of products are available, households suffer; their maintenance becomes difficult or even impossible. If insufficient means exist in the hands of

households, the needed or desired products are not purchased, and both households and vendors suffer. It becomes difficult and often impossible to maintain either, as for instance, in a severe recession.

So in spite of the plethora of sophisticated economic theory available, the problem is actually very simple: How can we keep the two factors in balance without resorting to restrictive controls on the activities of people be they buyers or vendors?

Consider these factors:

Wage earners and salaried employees have little control over their incomes. So the task of keeping the two economic factors in balance falls on other societal institutions business and, whenever regulation is involved, government.

If an economy is to expand, it can only be done by increasing the number of households with the means to purchase the available products.

To some extent, this second conclusion is widely recognized, but no accepted mechanism for putting it into practice does. Businesses and government try to expand the economy by emphasizing jobs, because more jobs means more earners and thus more consumers. But adding jobs in sufficient numbers is not always possible, especially if an economy is already in decline.

But increasing the number of jobs is not the only possibility.

Consider the common practice of both business and government. The business community assumes that its responsibility is to its stockholders, and there is a sense to which that is true. However, alternate ways of carrying out this responsibility are available.

The current practice is to focus on the bottom line, i.e., current profits. And whenever profits are not satisfactory, attempts are made to raise them by cutting expenses, including employees or employee wages. But that practice is self defeating, although it

may have a temporary ameliorating effect on profits. It is self defeating because its immediate effect is to reduce the means to purchase in the hands of households which amplifies any unbalance that already exists in the economic factors, and that ultimately has the effect of reducing profits just the opposite of what is intended.

Likewise, governmental regulatory agencies tend to want to keep wages low. But low wages mean low consumption which has no effect reversing a declining economy's trend downward.

The same is true of global outsourcing. By sending production to countries where wages are even lower than here, consumption is reduced here and not enhanced greatly in the outsourced country. What is needed is a way of increasing the number of consumers both here and abroad.

It should be evident from this analysis that the only way to grow the economy is to put more money into the hands of householders. Instead of trying to keep wages low, the goal should be to steadily increase them, thereby putting more money into the hands of consumers which would result in the sale of more products and increased profits, provided that the increase in wages were not negated by increases in prices.

So whenever sales don't meet expectations, the practice of cutting wages is self defeating.

Of course, Keynes recognized this, but put the burden for supplying the needed income on too narrow a span of society. He placed it on government alone. But since government gets its money from the economy, in a strapped economy, the government is strapped too and cannot supply sufficient resources to boost the economy enough to solve the problem. However, if our economists could convince the business community that it too must bear the responsibility of rebalancing the economy, the effects would be much greater.



We need to realize that an economy is a cooperative rather than an antagonistic enterprise. For an economy to be robust, the business community must not only provide products, it must also provide society with the means for purchasing them, for in the long run, it is the only societal institution that can, and if it doesn't, then businesses, investors, and households all suffer, and the economy fails in its purpose to manage households.

## IS A MARKET ECONOMY REALLY AN EFFICIENT WAY OF ALLOCATING RESOURCES?

I have often argued that people, in general and regardless of their upbringings, acquire the moral values they practice, apart from those they claim to hold, from the economic system they labor under. And my opinion is that reality provides them with no other choice, which has been immortalized in the maxim, Good guys finish last. Although it is impossible to provide a solid proof of the claim, there is important anecdotal evidence for it.

It is rather apparent that free market capitalism institutionalizes immorality. Its engine is exploitation, deceit, greed, corruption, and fraud, which results in crime, poverty, and a host of other social ills. I suppose that the United States of America illustrates this best. But there is even more compelling evidence.

Israel was founded as a socialist country. "The socialist bit--that's gone altogether. When Israel became America's little buddy, she also changed over--not coincidentally, during the Reagan years--to a hard-edged capitalist economy. You could call the operation a success . . . there's a lot more money in the economy, now; and it's easier to do business. . . . But for the first time, there are also homeless people, and families who say they can't find work, or enough to eat. . . . [Cramer, Richard Ben, *How Israel Lost*, p. 26]" The BBC has recently reported that "in the last four years the Israeli police . . . have lost control of the country's organized criminals, who are making millions from gambling, prostitution and drugs." And the Israeli government is rife with corruption.

A similar situation has existed in Russia since the collapse of the USSR. Again, the BBC has recently reported that "Russian President Vladimir Putin has said that organized crime is still controlling large parts of the country's economy and not enough is being done to combat it. He said many businessmen still faced

interference from both criminals and corrupt government . . . And up to 7,000 murderers had not been brought to justice, partly because of 'feeble' law enforcement . . . Murders, kidnappings, criminal attacks and robberies have turned into something of a fact of life. . . ." And poverty is endemic: "prior to the dissolution of the Soviet Union in 1991, that country's economic and social system worked in a practical sense, meaning most people had a place to live and food to eat. Although standards of living were below those in the West, particularly in housing, daily life was predictable. The Soviet leadership was legitimately able to say that their form of socialism had succeeded in virtually eliminating the kind of poverty that existed in Czarist Russia. Russian citizens now live in different times. The country's transformation to a more open economic system has created . . . a large, new group of people in poverty."

I doubt that these events are mere coincidence, and in each nation, the costs of dealing with these social ills is huge. Just consider what Americans spend on police, courts, prisons, welfare, uninsured medical care, abused children, and the host of other American social ills. The cost is enormous and completely unproductive. It follows that if these social ills are caused directly by the economic system, then they have to be attributed to that system.

One of the claims economists make is that the free market system efficiently allocates economic resources, and they tout this as one of the systems greatest advantages. But if the social ills mentioned above are caused by the system, this claim cannot possibly be true.

Aside from this, the claim has never been verified. In fact, no one has ever attempted to verify it. I suppose the claim is derived from some other equally unverified beliefs held by economists. There is the belief, for instance, that profit oriented enterprises are

more efficient than non-profit, especially governmental enterprises, and its corollary that efficient enterprises succeed while inefficient ones fail. But I am aware of no studies that have been done that even attempt to prove the validity of either of these claims. Anyone who has ever worked for a successful, for-profit company knows that these claims are not even close to being true. Inefficiency abounds in even the best of them.

So isn't it time someone put our economists on the spot? Are our social ills the direct consequence of our economic system? And if so, how can it be called an efficient allotter of economic resources? And if it isn't, isn't it time to think of making some fundamental alterations to it to prevent these unproductive social costs?

## IS AMERICA JOINING THE THIRD WORLD?

On June 29th, the Dallas Morning News published a column entitled Big D is becoming Big Divide. The gist of the piece, based on a Brookings Institution study, is that in Dallas and in many other metropolitan areas across the country, the middle class is shrinking and the numbers of low and high income residents are growing. The specific citations are, 50% of Dallas neighborhoods were considered middle class in 1970, whereas only 31% were in 2000. In 2000, the median Dallas family income was \$55,854, and the range considered middle income was between \$44,583 and \$67,024. Twenty percent of Dallas residents fell into that category; 39% fell into the lower income group (<\$44,583) and 40% fell into the upper income group (>\$67,024); whereas in 1970, the percentages were 27% middle income, 36% low income, and 36% upper income. The article cites Jason C. Booza, the study's lead author and a demographer, as saying that he sees a gloomy picture in these numbers. Gloomy indeed!

What neither Mr. Booza nor the journalist who wrote the article saw, however, is that nations that have small, shrinking, or missing middle classes are labeled 3rd world, and I recall reading in the Economist some months ago something to the effect that Europeans were beginning to view America as a incipient 3rd world nation.

America, to be sure, has a number of characteristics in common with the 3rd world: a government that governs primarily for the benefit of a privileged class (characterized by Calvin Coolidges, The business of America is business, whereas in other 3rd world countries it is often landowners); no, few, or inadequate social services for the poor, the infirm, the very young, and the aged; working classes that can not effectively collectively bargain; a huge foreign debt; and inordinate military expenditures. So

destroying the middle class could very well be the straw that breaks the nation's back.

Some people are beginning to realize this, of course; unfortunately, this realization may be too late. The trend may be impossible to reverse.

Nevertheless, David Brooks, a New York Times columnist, writes that "If American politics could start with a clean slate, the main argument wouldn't be between liberalism and conservatism . . . . [But] would pit populist nationalism against progressive globalism." He describes the populist-nationalist as being "liberal on economics, conservative on values, and realist on foreign policy," as "ordinary, burden-bearing people who work hard and build communities, who are loyal to their fellow Americans. These people would be against pie in the sky wars, selling our ports to foreigners, would be for securing our borders, universal healthcare, and decent wages; would believe that we need to stand up to the big-money interests who value their own profits more than their own countrymen, who outsource jobs to China and India, who destroy unions and control Washington, and who want to take away social security and medicare."

Of course, the powerful in America would be against all of this, and since our electoral system is such that the powerful can buy our Congressmen with campaign contributions and other perks, there is little likelihood if any of it ever coming to pass. The Supreme Court's refusal to allow meaningful campaign finance reform pretty much assures it.

So I grieve for this nation. The beacon to the world that was lit in 1776 is becoming a black light.

What kind of event could stop this juggernaut? Only something cataclysmal. If we had successive years of severe hurricanes that virtually destroyed the Gulf coast, perhaps that might do it, for then the needs of people would become so overwhelming, the

government would have to respond. Perhaps a world-wide depression caused by the collapse of the dollar's exchange value might do it. The absolute collapse of the American healthcare system might do it. If foreign lenders should call in their loans and refuse to continue funding the American deficit, that might do it. But I see no ordinary event, such as an election, that could ever pull it off.

## IS ADAM SMITH'S INVISIBLE HAND A PICKPOCKET?

Well, we're climbing the volcano again. Although nothing physical has changed, the confidence of brokers has been shaken by the American attempt to get other nations to stop buying Iranian oil in support of Israel's fear that Iran is developing nuclear weapons which Israel wants stopped. But as yet, the supply of oil has not been reduced by a single drop. Still the law of supply and demand is being invoked ahead of any drop in supply as an excuse for raising gasoline prices in the United States and perhaps elsewhere too. How convenient!

Three years ago I posted a piece titled The Flaw of Supply and Demand which demonstrates that the so-called law was nothing but an unsupportable notion that functions as a business practice in some segments of the economy. The piece shows that the "law" rests on absolutely no data and has not an iota of empirical support. As a matter of fact, the "law's" refutation is so simple that at least some economists throughout Capitalism's past must have realized it; yet economists have given the "law" a prominent place in economics textbooks generation after generation as though it were a divinely inspired edict. How can anyone understand why this is so? Why do economists continue to acclaim a meaningless notion as an economic law?

Let's look at what actually happens when the law is invoked. Assume that the supply of oil (or any other commodity) drops. According to the law, suppliers raise the price. Why? To reduce demand, we're told. Really?

Let's talk about demand. In the context of the law of supply and demand, it's ambiguous. Let's say the supply of potable water



shrinks. Would the number of people demanding water go down? Not in the least. In the U.S., where means of transportation alternate to the automobile are lacking, would fewer people want gasoline than did before the supply shrank? A few, perhaps, but not many. So when an economist says the demand shrinks as the price rises all s/he is actually saying is that fewer units of the commodity are purchased. So the law then means that when the price is raised because the supply shrinks, the price is raised in order to sell fewer units of the commodity. But why would any vendor want to sell fewer units of any commodity? After all, vendors are in business to sell the commodities they offer. So this explanation makes no sense. Prices are not raised to reduce sales; they're raised to increase profits. That's all there is to it.

What economic function does the law of supply and demand have then? Raising the price does not produce a single drop of more oil, for instance. The gasoline available is sold at the higher price to any purchaser until the available supply is expended. The same thing would happen regardless of the price. Those who can afford the higher price will buy all they want and those who can not do with less or do without. What role does the law play in economics? It merely provides suppliers with an excuse for raising prices and picking consumer's pockets.

But whoa, someone is sure to say. The higher prices creates an incentive for new suppliers to get into the market. Not really! Not if the law of supply and demand really works.

Notice how quickly suppliers raise prices when a reduction in supply is sensed and how slowly prices come down when the supply increases. Gasoline prices are climbing daily without the

actual drop of even one drop of oil in the market. Watch and see how slowly they come down if they ever do.

But now, consider this. Suppose a new supplier starts to produce oil in the hope of getting in on the increased profits made possible by the higher price. If the law of supply and demand really works, however, the moment her/his additional supply hits the market, the price would drop. Isn't that what the law says? If that were the case, rising prices would not be much of an incentive to increase supply, would it?

But observation does show that new producers do get into the business when prices rise, increasing supply. Yes, they do, but only when the price is unlikely to come down. It is used to provide suppliers with an excuse for raising prices but it doesn't have any effect on reducing them.

True, prices do come down when vendors have more to sell than people want to buy, but the price does not come down because the supply exceeds the demand, it comes down because vendors want to sell what they have. After all, commodities can easily be stored, so the law of supply and demand has nothing to do with it. As a matter of fact, the law has nothing to do with anything.

Nevertheless, the law of supply and demand is important in classical economics. It epitomizes the nature of this economy which exists merely for the purpose of enriching vendors at the expense of consumers. The law of supply and demand demonstrates that mainstream economists not only approve of this thieving economy but esteem it.

Bernie Sanders claims,

Forget what you may have read about the laws of supply and demand. Oil and gas prices have almost nothing to do with economic fundamentals. . . . the supply of oil and gasoline is higher today than it was three years ago, when the national average for a gallon of gasoline was just \$1.90. Meanwhile, the demand for oil in the U.S. is at its lowest level since April of 1997.

Is Big Oil to blame? Sure. Partly. Big oil companies have been gouging consumers for years. They have made almost \$1 trillion in profits over the past decade. . . .

But there's another reason for the wild rise in gas prices. The culprit is Wall Street. Speculators are raking in profits by gambling in the loosely regulated commodity markets for gas and oil. . . .

So as speculators gamble, millions of Americans are paying what amounts to a "speculators tax" to feed Wall Street's greed.

Yes greed is the culprit, but the greed is only possible because of the economic practices that our economists extol. This greed not only empties the pockets of the people, it endangers the economy as a whole and the nation's security. Wall Street along with these economic practices conclusively prove the truth of Jefferson's view that "Merchants have no country. The mere spot they stand on does not constitute so strong an attachment as that from which they draw their gains." When will we ever learn?

Republicans have claimed for generations that "the business of America is business." But if merchants have no country, a nation whose business is business is a nation governed for those who have no allegiance to it. A more stupid idea could not be found.

“We the People” are not sovereign and the United States of America is not a sovereign nation. The nation’s people exist for the sake of its thieving economy, and when the nation completes its decline and collapses, our merchants and those in the economic profession who aid and abet them will bear the blame.

## IS OFFSHORING TRADE?

A growing number of American economists are raising concerns about the American economy and the apparent consequences of America's having adopted an economic policy featuring what passes as free-trade, the off-shoring of our productive resources, and so-called globalization, but few seem to be listening. Read Ralph Gomory, Paul Krugman, Henry C K Liu, and many others to see powerful critiques of globalization. Some of these critiques are suitable for popular consumption, but many are written in a language of economics that seem suited for only trained economists. And although these critiques are powerful, none gets to the absolute bottom of things. Current American economic policies are promoted under the guise of trade, and no one seems to have seen its inherent contradiction.

Ask any child what the word trade means, and you'll be told that trade is giving someone something he wants and getting back something you want. Trade involves giving a thing to another in return for another thing for him. But off-shoring doesn't work that way; it is not trade.

When a nation off-shores its productive capacity, it produces less and less. The products produced by companies engaged in off-shoring produce nothing in their home countries. The production is done in foreign countries. When carried to its logical conclusion, any nation that promotes off-shoring will sooner or later have no products to trade. The only thing that makes such activities seem like trade is the transfer of capital in the form of fiat money. But fiat money is not a tradable product. As Hugo Salinas Price has pointed out, "Today, not a single currency in the world has a valuable content; all of the one hundred and eighty or so currencies in the world have absolutely no intrinsic value at all."

Now the American dollar is rapidly losing its purchasing power; the value of the dollar is dropping precipitously. The only thing that continues to prop its value up is the fact that since 1973, the US dollar, a fiat currency since 1971, serves as the primary reserve currency for international trade because oil continues to be denominated in fiat dollars. As long as that continues, the American dollar has real value, for while not backed by any commodity such as gold or silver, it is, in a sense, backed by oil. But the oil that backs the dollar is not America's oil. It is oil owned by foreign nations, many of whom have good reason to dislike the United States.

But this situation may be nearing its end. Within the last few days, Saudi Arabia has refused to cut interest rates in lockstep with the US Federal Reserve for the first time, signaling that the oil-rich kingdom is preparing to break the dollar currency peg. Kuwait became the first oil rich state to break its dollar peg in May. Oil producing countries have reduced their exposure to the dollar to the lowest level in two years and shifted oil income into euros, yen and sterling, according to new data from the Bank for International Settlements. Russia and the members of the Organization of the Petroleum Exporting Countries cut their dollar holdings in the second quarter of this year. Qatar and Iran also recently cut their dollar holdings.

So consider this scenario: The United States trades fiat money, dollars with no intrinsic value, for products made overseas, but manufactures fewer and fewer products for foreigners to buy. When it gets to the point that they can no longer even buy oil with the dollars they hold, what will they be able to buy with them? The only answer is America itself; they will buy American assets—American companies, American real-estate, and America's infrastructure. It's already beginning to happen.

A company in United Arab Emirates recently tried to purchase the company that controls our ports. Network equipment maker 3Com is giving up its independence in a \$2.2 billion buyout by Bain Capital Partners, a Chinese company. In June, an Australian-Spanish partnership paid \$3.8 billion to lease the Indiana Toll Road. An Australian company bought a 99-year lease on Virginia's Pocahontas Parkway, and Texas officials decided to let a Spanish-American partnership build and run a toll road from Austin to Seguin for 50 years. The tolls from the U.S. side of the tunnel between Detroit and Windsor, Canada, go to a subsidiary of an Australian company which also owns a bridge in Alabama. Chicago sold a 99-year lease on the eight-mile Chicago Skyway for \$1.83 billion to Macquarie Infrastructure Group of Sydney, Australia and Cintra Concesiones de Infraestructuras de Transporte of Madrid, Spain. Illinois lawmakers are examining privatizing the Illinois Tollway, New Jersey lawmakers are considering selling 49 percent of the state's two big toll roads and a gubernatorial candidate in Ohio wants to sell the turnpike. Orange County, Calif., got burned by a toll-road lease. The road, part of state Route 91, was built and run for \$130 million by California Private Transportation Company, partly owned by France-based Compagnie Financiere et Industrielle des Autoroutes. The toll road opened in 1995. Seven years later, Orange County was looking at gridlock. But it could not build more roads because of a provision in the lease. So it bought back the lease -- for \$207.5 million, a loss of \$77.5 million. Patrick Bauer, the Indiana House's Democratic leader, says such deals are taxpayer rip-offs. Bauer believes Macquarie-Cintra could make \$133 billion over the 75-year life of the Indiana Toll Road lease -- for which Indiana got \$3.8 billion. Taxpayer rip-off? Much more: the giving away of America by Americas business and political leadership.

Globalization and off-shoring under the guise of free-trade is not trade at all. It involves no swap; it is a complete misuse of the language; it involves an oxymoron. There is no such thing as trade that does not involve a swap. As America gets deeper and deeper in debt to foreign countries, as it continues to give fiat currency that is continually losing its value for imported products, America has hung a huge for-sale sign on itself and our creditors are buying.

We Americans are strange. Although we want immigrants to learn English, Americas official language, we may all soon have to learn Chinese and, perhaps, French, Spanish, and even Arabic.



## JUNK WRITING-MARTIN FELDSTEIN ON THE DOLLAR'S VALUE

People are rightly warned not to take what they read on the Internet at face value. A good warning but hardly sufficient. Anyone who has regularly read academic journals and attended academic conferences knows that peer review is hardly foolproof. Publishers with hoards of editors publish junk books, and newspaper editors and columnists disseminate propaganda. So the only authority anyone can appeal to is a good mind highly schooled in the techniques of critical reading. Even people with eminent reputations often publish junk but are rarely upbraided. (Eminence has its protections and deference, its rewards.)

Recently I came across citations to an article written by Martin Feldstein (Why is the Dollar so High?), and since the summaries I read did not ring true to me, I sought out the article itself. Unfortunately the final version, published in the Journal of Policy Modeling, is available only for a fee, I had to settle for a working draft, but since the parts summarized seem to be intact, I assume the draft does not differ much from the final version. The working draft, however, is so sophomoric that even as an exercise in composition, it would not have passed muster in any composition class I ever took, and since sloppy writing is usually the result of sloppy thinking, I have serious concerns about how it came to be published and why others cite it.

Although I do not intend to concentrate on the article's compositional shortcomings, its organization is a literal nightmare made up of loosely related topics that seem to have popped into Mr. Feldstein's head in no logical sequence, it contains elementary grammatical errors, misstatements, and a conclusion quite different from what one would expect from its title. He writes, for instance, "if the dollar were to fall before the

saving [sic ] rate declined, the level of aggregate demand in the U.S. would rise" which contains a sequence of tense error, a case error, and a misstatement. Surely what he is trying to say is this: If the dollar's value were to fall before the savings rate increases, the level of aggregate demand in the U.S. would rise.

The conclusion, however, is more revealing. He writes, "The best hope for a smooth adjustment of both the global and U.S. imbalances would be a substantial fall of the dollar followed by a significant rise in the U.S. saving [sic] rate and a policy of fiscal stimulus in other countries. Achieving this will require both good policies and good luck." Given this conclusion, one would expect a title somewhat like, "Smoothly Adjusting Global and U.S. Imbalances", and a discussion of why Mr. Feldstein believes that to be unlikely. But although there is some discussion in the article's body that relates to this conclusion, the article's actual title leads one to look for something else. 'Nuff said.

Mr. Feldstein's argument for why the dollar is so high goes like this: "The basic national income accounting identity tells us that investment minus saving equals imports minus exports. If saving is low relative to the investment . . . we must have a trade deficit to bring in the resources to fill the gap. This line of reasoning leads us to the low level of the U.S. saving [sic ] rate as the primary cause of the high level of the dollar."

All this comes down to is a mere equation-investment (I) minus saving (S) equals imports (M) minus exports (E). A mere equation, however, doesn't rise to the level of "reasoning". But seeing what Mr. Feldstein is getting at is easy. Merely put some numbers into the equation. If one does, whenever  $S=I$  the equation's value is zero. When  $S > I$ ,  $E > M$ , and when  $S < I$ ,  $M > E$ . How this leads to a conclusion about the dollar's value, however, is a mystery, since there is no term in the equation for dollars or their value.

Mr. Feldstein's mistake, however, is drawing any conclusion at all from this equation. He admits that the equation is merely an accounting identity. He also admits this: "Although . . . individuals might have regarded . . . spending as a form of investment, these outlays are treated as consumption in . . . national income accounts."

So what? How does this accounting convention relate to anything real? For instance, the FED, I have read, relies on core CPI because it is thought to be a better predictor of future inflation than the real CPI. But core CPI doesn't relate to anything real in terms of household management, where food and fuel are major, required expenditures. So Mr. Feldstein's stated conclusion is a non sequitur. The only valid conclusion is this: in terms of accounting conventions, when S is small in relation to I, M is large.

Any inference drawn from this equation is perplexing. Equations don't have gaps. So what does Mr. Feldstein mean by "the gap"? From his conclusion, I assume he means the difference between investment and savings that makes up the left side of the equation. But the right side of the equation contains the same gap. In fact, the gap on the left side is identical to the gap on the right side; otherwise, the two sides would not be equal. So if Mr. Feldstein can infer that the gap on the left side means that the low savings rate is the cause of the high value of the dollar, why can't we equally infer from the gap on the right side that the low level of exports is the cause of the high value of the dollar? Why would Mr. Feldstein ignore the right side and make his inference from only the left side?

I suspect Mr. Feldstein, as many orthodox economists, harbors a bias. These people are inherently anti-consumer and pro-business. It is ordinary household savings that Mr. Feldstein says is low, so the ordinary householder is to blame for not being more frugal. But if one draws the inference from the right side, it is

manufacturers who are the blame for making products that foreigners don't want to buy or for not making products that American consumers must buy. To these economists, it's always the people but never the system that is to blame, which is pure bias.

He then writes that, "Two primary forces have been driving down the household saving [sic] rate: increasing wealth and . . . mortgage refinancing. . . . Individuals who are saving for retirement can rightly conclude that, because of these wealth increases, they can afford to save less. And retirees who are dissaving can look at their wealth and conclude that they can afford to dissave relatively more than previous generations of retirees. This has progressed to a point where the depressed saving of the savers and the increases [sic] dissaving of the dissavers has caused the net saving [sic] rate to be negative."

Well, yes, individuals could have drawn these conclusions, but how can anyone know that they did? And by what system of logic can one derive an indicative statement from two modal statements? No logician would say that that's possible.

And how could Mr. Feldstein have neglected the loose lending policies of bankers who literally pushed revolving credit cards into the hands of consumers, whose loans were too easy to get and almost impossible to repay? Surely credit cards have played a large role in the spending habits of Americans, perhaps even a greater role than wealth drawn from investments in the market and home refinancing. Did this banking policy play no role? Did Mr. Feldstein ignore it because it is a business practice, not a consumer practice?

Anyhow, talk about saving money in America is difficult to make any sense of. The word "save" has a precise meaning. It means to protect something from danger of loss, injury, or destruction. A grandmother can save her wedding dress so her granddaughter

can wear it on her wedding day, but a dollar cannot be saved. No conditions exist in America in which a dollar can be put away and protected from the danger of loss. So Americans can't properly save, but they are told that they save almost every time they buy. They are to told to put money away for a needy day by investing in (insecure) securities. They are also told that a home is the largest investment that most people make. They are never told, however, that the market is one giant casino, and that so called investing is really wagering. But if proper saving is impossible, what becomes of the basic national income accounting identity Mr. Feldstein bases his conclusion on? One of the terms in the equation's left side disappears, and when it disappears, so does the so-called gap. Of course, this result is merely semantical, but it does show the inappropriateness of using an equation created for a special purpose to draw a conclusion unrelated to that purpose. Mr. Feldstein also writes, "The household saving [sic] rate will rise because the two primary forces that have driven savings down will come to an end. First, the sharp rise in wealth caused by abnormal gains in share prices and house prices will not continue. Home prices are already beginning to decline and the prices of stocks are not likely to outperform earnings in the future in the way that they did in the past."

But how can these lead to a rise in savings? Wages have been stagnant in this century, and if stocks are not likely to outperform earnings in the future, people will be poorer and less able to borrow for consumption because of the decline in home prices. Where do the increased savings come from, especially if consumers are forced to buy imported clothing, oil, and other necessities at higher prices as the value of the dollar drops? Poorer people can not increase their financial assets unless incomes remain constant or grow and the prices of the imported items needed decrease. Given the decline in the dollar's value, the

latter is not likely to happen and there is no reason to believe the former will either.

As absurd as all of this is; however, the worst is yet to come.

Mr. Feldstein writes, households and businesses . . . must be given an incentive to spend more on American made goods and services and less on the goods and services made elsewhere. . . . The way in which this will come about is a decline in the value of the dollar. . . . When the dollar declines . . . American goods are cheaper relative to European goods. That makes American households and businesses buy less in Europe and more in America. And the same happens in reverse for European buyers. . . . It is common to hear . . . that the U.S. no longer has the ability to manufacture and export. Or . . . that we will never be able to compete with the low labor costs that drive imports. . . . Both of these worries are unfounded. The U.S. is a major exporter. . . . Caterpillar tractors compete with the Komatsu tractors made in Japan. Boeing airplanes compete with European airbus planes. California wine competes with wine from France, Italy and Spain. . . . But what about the goods that come from countries in which [wages] [sic] are very low? It is certainly true that . . . [w]e will not see American factories making the products now produced in very low cost . . . countries. But instead of substituting American made goods for very similar imports, . . . American consumers . . . will shift to buying U.S. goods and services. . . . For example, as imported t-shirts and sneakers become more expensive, American consumers will spend more on meals away from home and on travel in the United States.

Well, I don't know how many Americans will buy Boeing 747s and Caterpillar tractors, but Mr. Feldstein and his fellow orthodox economists may very well drive us all to drink. And those meals away from home and travel in the United States will be taken bare footed and shirtless, I presume. Since even

McDonalds has a sign saying "No shoes, no shirt, no service", will we all be taking our meals away from home at truck stops?

These examples are so ludicrous that no competent thinker or writer would have included them in an essay, the purpose of which is to produce conviction, since these examples are not convincing. As a matter of fact, if they are the best Mr. Feldstein can come up with, he must certainly be wrong.

I have been hard on Mr. Feldstein, but not nearly as hard as I could have been, given the vast number of compositional and logical errors in his paper. Continuing to flog this dog will not add anything to what has already been demonstrated.

It is difficult to understand how a person with Mr. Feldstein's reputation could have had the temerity to exhibit this junk publicly. Given his positions as George F. Baker Professor of Economics at Harvard University, and president and CEO of the National Bureau of Economic Research (NBER), this article should be an embarrassment. Given his past association with the Reagan administration, I suspect very strongly that Mr. Feldstein is not and never has been an objective researcher and thinker, that he, like many orthodox economists, is and always has been a mere ideologue. Reagan once remarked that he studied economics in college but that it didn't take. He was an easy mark for economists like Mr. Feldstein and Arthur Laffer who helped kick this economy into the freefall it is now going through.

There is one sure test that separates ideologues from objective thinkers and researchers how they respond to criticism.

Ideologies, by definition, never have rational foundations; they are belief systems. Ideologues cannot react to criticism with rational argument; to do so would be to commit intellectual suicide. So when faced with criticism, ideologues merely ignore it or attack the critic with an ad hominem. You just don't understand. In that way, they can never be refuted even though

they can never demonstrate their case. So they continue to publish the same, tiresome old stuff. And given Mr. Feldstein's prominence, that's scary. Do people really take the stuff that comes out of the National Bureau of Economic Research seriously, or do they consider it just another one of the stink-tanks from which America reeks?



## KILLING THE GOOSE THAT LAID THE GOLDEN EGGS

Most people have heard the expression, "killing the goose that laid the golden eggs," but many cannot recite the complete story. It goes like this:

A poor farmer one day discovers a glittering golden egg in the nest of his pet goose. At first he thinks it must be some kind of trick. But as he starts to throw the egg aside, he has second thoughts and takes it to an appraiser. The egg is pure gold. The farmer can't believe his good fortune and becomes even more incredulous the following day when he discovers another golden egg. Day after day, upon awakening, he rushes to the nest to find another golden egg. He becomes fabulously wealthy. It all seems too good to be true.

But with his increasing wealth comes greed and impatience. Unable to wait day after day for the golden eggs, the farmer decides to kill the goose and get all the eggs at once. But when he opens the goose, he finds it empty. There are no golden eggs and now there is no way to get any more. The farmer has killed the goose that laid them.

But there is another chapter to this story that goes untold.

Although the farmer rues his decision to kill the goose, he realizes that it is no grave misfortune. After all, he has become fabulously wealthy; he is no longer a poor dirt farmer. His financial future is assured. Although there will be no more golden eggs, there will also be no more poverty. Killing the goose, while unfortunate, does not entail a financial crisis. He will be okay.

This mythical fowl tale describes America's current economy perfectly. Governments, both state and federal, have become a goose that lays golden eggs for America's business community. Our governments have allowed that community to decrease the wages of workers, eliminate relatively high-paying jobs by

transferring them to foreign nations where wages are considerably lower, and create an ever growing income gap between workers and corporate officers. These corporate officers have become the mythical farmer, and their greed is killing the goose.

America has become the greatest debtor nation in history. It now relies on foreign nations for essential products and American foreign policy has denigrated many of these same nations for ages. Because of this denigration, the peoples of these nations hold no affection for the United States. Some economists, domestic and foreign, believe that America is sliding from great power to third-world status. And it is not difficult to see why.

It takes no great smarts to realize that for businesses to prosper, their products and services must be sold. But an impoverished people cannot be prolific consumers, regardless of how cheap products and services are priced. So just as governments can be likened to the goose and the business community to the farmer, the consumer becomes the golden egg, and when he becomes the victim of a flawed business model, no more golden eggs will be forthcoming.

But why should the mavens of business care? In the meantime, they have become fabulously wealthy. Why should Bill Gates or any of his ilk care if America collapses into third-world status? If any of their companies go bust tomorrow, they suffer no severe economic consequences. They can shrug their shoulders as they walk away. Fortune magazine has just published a list of America's worst performing CEOs. They are also some of the wealthiest.

Of course, this consequence is not new; it has happened before, and Americans, at least, were warned about how business practices bring this consequence about by Thomas Jefferson who wrote, "Merchants have no country. The mere spot they stand on

does not constitute so strong an attachment as that from which they draw their gains."

On January 17, 1925, when President Calvin Coolidge told an audience of newspaper editors that The business of America is business he made popular a legal form of treason that Americans have suffered under ever since. Our business community not only continues to prove that it can't govern itself effectively but that a free market economy is a destructive myth.

## KRUGMAN, RICARDO'S DIFFICULT IDEA, AND GLOBALIZATION

Paul Krugman, an economics professor at Princeton University, has an article on the internet entitled, "Ricardo's Difficult Idea". Numerous comments on this article can also be found on-line; however, none raises what I consider to be its fundamental errors. First, professor Krugman claims that people, especially those whom he calls intellectuals, are critical of the claims made by economists in support of free-market globalization for three reasons:

They do so to be intellectually fashionable.

They do so because the theory of Comparative Advantage is more difficult than it seems, because it is part of a network of ideas which constitute a mathematical model.

They do so because of an aversion of mathematical ways of understanding of the world.

What evidence Mr. Krugman or anyone else could have to support the first and last of these items is hard to even imagine. Has he or anyone else taken a random survey of the people who are critical of globalization and counted their responses?

So, here is Mr. Krugman, passing himself off as some kind of scientist (Oh, how economists like to make that claim!) making claims for which there is little if any evidence, which is not a practice that any legitimate scientist would ever engage in.

But even more so, consider the third item. There are countless people who will freely admit that they have no understanding of, say, the theory of relativity or quantum mechanics. Many of these people, perhaps, are not mathematically inclined and thus can be said to have an aversion to mathematical ways of understanding the world. Yet there is no mass rejection of the claims of physicists made by such people, especially by those whom Krugman would

characterize as intellectuals. So it follows that there must be something more than a mere aversion to mathematical models behind the criticism made of the economists' claims about globalization. No mere aversion can account for them.

Second, just because a theory has a mathematical model means nothing. Any good mathematician can mathematically model any theory that does not involve a logical contradiction. The Earth Centric Theory of the Universe can be modeled mathematically; yet it is completely false. And anyone who has studied non-Euclidean geometry knows that numerous such geometries can be developed mathematically, but most have no application in the world we live in. So merely because economists have a mathematical model from which they derive their claims does not validate them.

Third, all sciences are not cut from the same cloth, so to speak. Some, like geology and the theory of evolution are almost entirely descriptive. They attempt to tell us how the present was formed based upon data about the past derived from searches of the earth's layers and fossils. They make no attempt to predict the future. Contrast those sciences to plate tectonics, for instance, which not only describes how the present continents were formed but also describes what the continents will look after some eons in the future. So if one claims that economics is a science, we can rightfully ask, What kind of science is it?

Furthermore, some sciences can be bifurcated into theoretical and applied branches. Theoretical physics, in most cases, cannot be directly applied to the world we live in. To do that, we need applied physics (engineering). Although theoretically a feather falls at the same rate as a metal sphere, no engineer would use that theoretical finding in building a roller-coaster, for example. An engineer would take into consideration the factors in the real world that the theorist ignores, such as the resistance of air and

various weather conditions, especially the forces involved in storms. So again, we need to know whether, if economics is claimed to be a science, it is theoretical or applied, and how theoretical economics differs from applied economics. To my knowledge, no economist has never ever made the distinction, no less studied it.

Fourth, scientific theories are subject to verification. Empirical data, that is not contradicted by similar data from somewhere else, must be provided that supports scientific theories and in many cases, crucial experiments must be devised and carried out to acquire that data. No one really knew, for instance, not even Einstein, whether the theory of relativity was valid until a British solar eclipse team proved that light rays from distant stars were deflected by the gravity of the sun just as the theory of relativity had predicted.

Economics cannot provide any empirical data not contradicted by similar data gathered somewhere else to support its models and economists, to my knowledge, have never devised and carried out any crucial experiments.

Fifth, at least since the nineteenth century, scientists have engaged in an examination of their foundations, that is, their assumptions. Even the foundations of arithmetic have been investigated, yielding some spectacular results. All modeled theories are based on assumptions which need to be investigated. Free market economic theory is chock full of such assumptions, the validity of which are merely taken for granted by economists. For instance, Ricardos difficult idea makes the following assumptions:

Labor is only factor of production.

The supply and productivity of labor is fixed in each country.

Perfect competition prevails.

Perfect mobility of factors of production within countries exists.

None of these assumptions hold in the real world we live in.

Sixth, in science results matter. Physical laws work just as well in Austria, Australia, and Argentina. The results don't vary in different parts of the world. The same claim cannot be made for economics.

Since the eighteenth century, physicists have enabled mankind to put men on the moon, send planetary probes to the outer reaches of the solar system, land probes on comets, build countless appliances, skyscrapers, and vehicles, to mention just a few of their accomplishments.

Since the eighteenth century, economists have had some astounding successes; unfortunately there have been even more astounding failures. Yes free market Capitalism has brought wealth to some peoples, but it has also institutionalized human exploitation, poverty, child labor, greed, and general immorality. None of the authentic sciences has such a dismal history.

Some unabashedly admit that the prime motivation for globalization is that it reduces labor costs, and they advance at least one position that would be positively hilarious if the subject matter were not so grave. On one hand, they assure us that we needn't worry about losing jobs in software maintenance and development... automotive and aerospace component design, and pharmaceuticals research due to globalization since 70 percent of jobs in the U.S. result from services such as retail, restaurants and hotels, personal care services, and the like, necessarily produced and consumed locally. On the other hand, they admit that many of the jobs lost to outsourcing are relatively undesirable because of their low pay or low prestige.

Is this an argument for outsourcing? Laid-off programmers can always get their cosmetology licenses? Americans don't want those undesirable jobs in aerospace design because of the more

prestigious positions available in the hospitality industry? Oh, sure!

Our economists make equally ludicrous claims about their mathematical model. They claim that globalization produces increases in net wealth. Well, so did mercantilism. An economist might reply that that depends on how wealth is measured, and I would reply, Yes, indeed it does.

Economists need to ask themselves whether economics exists for the benefit of people or people exist for the benefit of economic theory. The people believe it should exist for them, not the other way around. Economists seem totally oblivious to this reality. Even the measurements of the economy they take ignores it. The distinction between core and total inflation leaves people cold. When told that they are not much worse off because core inflation is negligible, they react with incredulous disgust. What matters to them is total inflation. The employment rate is just as unimpressive. All of the factors that effect peoples lives are absent from it. People who have given up looking for work because they have not been able to find any are unemployed; yet, the employment rate doesnt measure them. And who cares if 10,000 jobs lost are balanced by 10,000 jobs gained? What people care about is what kinds of jobs have been lost and what kind have been gained. Ten thousand high-paying jobs lost are not balanced by 10,000 low-paying jobs gained. And now it has been pointed out that even our GNP measurements are faulty. Business Week has recently pointed out that we are measuring phantom GNP.

But there is something even more fundamentally wrong with free market Capitalism--it institutionalizes immorality. Its engine is exploitation, deceit, greed, and fraud, and any economist who defends it, no matter how brilliant, lacks even a scintilla of moral sense. So the gross criminals of this world are not those in



prisons; they are the people who defend and manage this abominable model.

## LABOR IN AMERICA

American attitudes toward labor, both here and throughout the world, are misguided, counterproductive, and dangerous to the welfare of mankind.

The attitudes are consequences of the view that labor is merely one commodity among others. This view means that labor is to be bought as cheaply as possible and treated with disdain to the point of dispensing with it whenever possible. This view results in our antagonism to labor unions, workplace safety, worker health and welfare, and a disorganized and ineffective provision of retirement income. The view results in our judicial system's treatment of employee claims in bankruptcy as though they were mere creditor claims and allows for the abrogation of duly negotiated and agreed upon contract provisions in ways that ignore the ways in which those contract provisions were created. But all of these attitudes display a misunderstanding of how an economy works.

For a nation to prosper, its economy must prosper. No nation can be great if the mass of its people is impoverished, no matter how wealthy some minority class of elites is.

For an economy to flourish, the money in it must circulate. Products cannot be sold if people lack the means to purchase them. If products cannot be sold, businesses cannot prosper. So if an economy is to prosper, money must flow from business to labor and then flow back to business when products are bought. By denying labor remuneration that allows for considerably more than a subsistence wage, business merely constrains the purchasing power of people which, in turn, constrains the sale of products, which then constrains business profits.

It is well known that the American economy's engine of prosperity is consumption. More than two-thirds of the American

economy is dependent on consumption. Reduce the power of the people to purchase, and the American economy declines.

Many American business practices tend to reduce purchasing power. Low wages, low benefits, high prices are but a few. Offshoring is another that really is a two-edge cutlass. American businesses move production to foreign countries to exploit the low wages possible in those countries. When this results in the reduction of jobs in America, the result is a lowering of purchasing power, unless some other industry comes along that picks the displaced workers, as has often happened in the past. Unfortunately, there is no guarantee that it will happen in the future.

And although American business likes to tout the slightly higher wages than is customary it pays to workers in foreign countries, the higher income that goes to those employees is seldom high enough to propel the economies in those countries to higher standards of living.

The result, ultimately, must be a situation in which business costs are reduced, purchasing power is reduced, and the economy, including the profits of business, decline, because the loss in domestic purchasing power is not made up by an associated increase in purchasing power in the foreign lands to which American companies have offshored their productive capacities.

So it really is not difficult to see that given the current American attitudes toward labor, decline is inevitable. And likewise, it is not too difficult to see how dispensing with these attitudes would not only promote prosperity in America but in foreign countries too. Business merely needs to adopt practices that increase consumption, not only domestically, but in all of the countries they do business in.

Americans have been taught to believe that high wages increase inflationary pressures. But this belief cannot possibly be true.

The argument is not much different in either zero-sum or non-zero-sum situations:

Prices  $P$  are made up of employee costs  $E$  plus overhead  $O$  plus profits  $R$ .  $P = E + O + R$ . But the equaity can be preserved in either of two ways.

Say  $E$  is increased to  $E + n$ . The equation is preserved in either of the following two ways:

$$P = (E + n) + (O - n) + R \text{ or } P = (E + n) + O + (R - n).$$

So higher wages are no more responsible for inflationary pressure than are higher overhead or higher profits.

A funny thing happens when businesses know that employees in their areas are about to receive higher wages. Prices on products go up even when the costs of the products affected are not affected by the increased costs of the labor receiving the higher wage.

A number of decades ago, when I was employed as a staffer by a United States Senator, government employees were granted a substantial raise. But about two weeks before the raise went into effect, stores in the Washington, D.C. area all began to raise prices. The result was that the federal workers who received the raise gained little in disposable income, and those who were not federal workers had their disposable incomes lowered.

So, you see, the problem is merely greed. Every businessman seeks to feather his own nest and to do so, whenever possible, at everyone else's expense. But why should a laborer be different? He, too, has the same human inclinations as the businessman. The laborer also wants to feather his own nest. What is really needed is a spirit of sharing, which would result in the feathering of all nests.

Increased wages, when they are not nullified by increased prices, lead to increased consumption and more business. So it can easily

be argued that by giving labor more and taking less in profits, not only do employees gain, businesses do too.

So instead of treating labor as a commodity, laborers should be treated as human beings. Their desires to improve their economic positions should not only be honored, they should be encouraged. And if this were done not only domestically but abroad too, all the world would benefit.

The L-word (labor) is not evil; the G-word (greed) is. All of us should deride it and dishonor those who espouse it.

## LET THE BUYER BEWARE

In the sixteenth century, markets were simple open-air affairs where producers assembled their products and buyers came to purchase them. Products were relatively simple things--fruits and vegetables, livestock, cooking utensils, pieces of rudimentary furniture, clothing, etc. A buyer could examine each piece carefully and select the best of the lot for his purchase.

Cheating at such markets, however, was not unknown. Small animals placed in bags were often offered for sale, for example, a piglet in a bag. Sometimes, however, the animal in the bag advertised as a piglet turned out to be a cat. So the practice of purchasing small animals in bags came to be referred to as buying a pig in a poke. And the expression took on the connotations of a fraudulent sale. If a prospective buyer, however, had sense enough to look inside the bag before buying it, he would often let the cat out of the bag, and this expression took on the connotations of revealing a fraud. All buyers at such markets were advised to beware. The Latin expression is *caveat emptor*, let the buyer beware.

It is, still, of course, good advice; however, it is now much harder to follow.

Technology has, in many ways, been a wondrous boon to mankind. However, it has also been fully utilized by the unscrupulous. There are few products in the marketplace today that can be carefully examined. Most, even simple appliances, are too complex for examination. Although the outer appearance may indicate a product of high quality, the parts inside, if examined, might reveal something entirely different.

Go to a grocery store and buy a can of dog food labeled chunky beef. If you ever find anything resembling a chunk in one, let me

know. The contents consist of some sort of meaty mush. Of course, that's a fraud, but it's only dog food. So what?

Then go to the meat counter and examine the packaged bacon or pork chops. The visible pieces look meaty with a minimum of fat. But how many times have you gotten such a package home only to find considerably less meaty and more fatty pieces underneath? This, too, is fraud. But what can we do about it?

And don't even talk about computers and cars. Who can pick the best ones out just by just looking?

The upshot of this is that it is almost impossible for a buyer to protect himself in today's marketplace. And this turns a laissez faire economy into a environment which, in fact, legalizes unscrupulous fraud. It has become a haven for what would otherwise be considered criminal activity.

Businessmen continuously deny the need for regulation, claiming that there are only a few bad apples in the barrel, and that consumers can weed them out by not continuing to buy their products. Would that it be so!

Producers have boundless opportunities to cheat, while buyers have miniscule opportunities to catch them. I am sure you all have seen the television commercial that extols the merits of the person who points out how much money his company can save by putting one fewer olive in the jar. And if this is true for one producer, it's true for every producer, and, although no consumer can catch on when it happens, all the producers become bad apples that cannot be weeded out.

How then can anyone support the claim that regulation is unneeded, because there are only a few frauds in the marketplace? How can they know how many bad apples there are? Certainly, counting the numbers that get caught won't do. What kind of evidence is available to support such a claim? The

claim is irremediably vacuous; it has no argumentative validity, and rational people should ignore it.



## LINGUISTIC NONSENSE AND LIBERAL ECONOMICS

Liberal economics has long been recognized by a host of writers, some of whom are economists themselves, as a religious-like dogma. Like Tertullian who believed “because it is absurd,” economists accept the dogma not because it makes sense, but because it doesn’t.

Whoa, you say, show me the evidence, and I will.

Consider this situation: A fully grown person buys and consumes just enough food to maintain her/his weight. Sometimes, in order to taste the spice of variety, s/he buys foods that are more expensive than those s/he usually buys. So during some months, her/his expenditures on food are more than s/he spends in others, but her/his weight never varies.

This situation can be viewed as a microcosmic economy. An economist viewing it would say that because more money passed from the consumer to vendors in some months, the economy in those months grew. (See my piece, Gross National Product (GNP): How is it Calculated? What does it Measure?)

But the person did not grow. So what does an economist mean when she/he says that the economy is growing? Merely that more money is being transferred from consumers to vendors, but that does not mean that more goods and services are available for use by consumers. The material economy, the economy made up of actual goods and services, really has no definite relationship to the monetary economy that economists measure.

Consider these situations:

Over the past several years in the Dallas, TX area, a new sports-entertainment arena and a new professional football stadium were built. Then two older facilities devoted to the same activities were demolished. The result? Nothing essential changed. Dallas today has the same number of sports-entertainment arenas and professional football stadiums that it had before the newer ones were built. But two enormous piles of rubble were created.

Now a lot of money was spent building the new facilities, demolishing the older ones, and carting off the rubble, all of which economists count as additions to Gross (Domestic/National) Product. If these additions would have increased GP, the economists would have said that the economy grew. But the number of facilities did not. The pile of rubble did, however. The cost of the demolitions and carting off the rubble was also added to GP and the rubble itself is now considered by economists to be in the same category as building the new facilities. In other words, the rubble is by economic measures a form of production. a product, rubble was produced. By this reasoning, a society that spends a lot of money destroying itself is engaged in production. But production and destruction are opposites. Productive destruction is an oxymoron which makes no sense whatsoever.

Even more egregious examples of ungrowing growth exist. Consider a fine art auction at, for instance, Sotheby's. Millions of dollars are often transferred from buyer to seller when an old master's painting is sold. The money transferred counts as GP, but not a single thing is produced, not even a doodle. So now a category of unproductive production also exists. Producing nothing is a form of production. But that's oxymoronic.

In April, it was reported that the number of new cars sold is likely to be less than the number of old cars junked. The result will be fewer cars in use in the material economy. But money is spent buying new cars and junking old ones, the sum of which is added to GP. If that raises GP, economists will say that the economy has grown, but the material economy will have shrunk. Now grow and shrink are opposites. Shrinking growth is an oxymoron. The economist's absurd claim makes no sense.

Most computer users will recognize the term "floppy disk." A floppy disk is a data storage medium that is composed of a disk of thin, flexible (floppy) magnetic storage medium encased in a plastic shell. The floppy disk has now pretty much been replaced by USB flash drives, external hard disk drives, CDs, DVDs, and memory cards.

The floppy disk itself underwent change. IBM introduced the eight-inch floppy disk in 1971. Then came the five and one quarter inch floppy disk, the three inch floppy disk, the two inch floppy disk, the two and one half inch floppy disk, and finally the ubiquitous three and one half inch floppy disk. As each new disk type was introduced, millions of older disks along with their drives were trashed. Over the past forty years, billions of floppy disks, each encased in plastic, have been transported to landfills. Most were still useful.

The Austrian economist Joseph Schumpeter became renowned when he made the phrase "creative destruction" into an economic theory. The floppy disk's history is an example of what Schumpeter meant. He would have considered each new disk type a form of creation and the trashing of the older types as destruction.

But what is creative about this process? One form of magnetic data storage is merely replaced by another. Compared to the situation described in paragraph three above, it can be likened to the person's replacing the tea she/he had been drinking with a new flavor of tea. Although the person is not forced to discard her/his old tea, the floppy disk user is eventually forced to discard her/his old disks and drives, and if she/he wants to preserve the data those disks contain, that data must be painstakingly transferred to a newer medium.

It is difficult, of course, to weigh the creativity against the destruction. Is creative destruction more creative than destructive or more destructive than creative? It varies, I suspect, by cases, but one thing is certain: creative destruction is an oxymoron. Creation and destruction are opposites. (See my piece, *Creative Destruction and More Economic Nonsense*.)

The floppy disk and most technological "improvements" fall into a category of products often sold as "new and improved." But that phrase is insidiously oxymoronic. If the product is new, how can it be improved, and if it is improved, how can it be new? But the phrase evokes a deeper question. In what sense is improving an existing product creative?

Consider this example: A man goes to a store that employs an in-house tailor and buys a new suit. He picks one out, tries it on, summons the tailor who marks and pins the suit here and there. The tailor then takes possession of the suit, and the next day, the buyer returns for it. He tries it on and finds that its fit has been satisfactorily improved. Fine! But what has the tailor created? Most certainly not the suit! So are such "improvements" of existing products ever creative? When Microsoft, for instance,

issues a “new and improved” version of Windows, has Microsoft created anything new? I don’t know, but most certainly that something new has been created is not obviously true.

These situations establish that no definite relationship exists between growth in the monetary economy that economists measure and the material economy that people utilize. Sometimes the material economy grows along with the monetary economy; sometimes the material economy is unchanged as the monetary economy grows, and sometimes the material economy shrinks while the monetary economy grows. These situations also show that what passes for our economy is uneconomical. Trashing perfectly good and useful things because something newer comes along is nothing but wasteful. So what we have is an uneconomical economy, but that’s no economy at all.

Anyone who understands how a language works knows that words are not singular; they come in families. A noun cannot have a meaning that is different from its adjectival or adverbial siblings. The orthographic differences between the forms serve merely to show the word’s function in a sentence. “Economical” and “economically” go with “economy”; “uneconomical” does not. An uneconomical economy is an oxymoron, sheer nonsense; it is absurd. So what’s known as liberal economics does not describe an economy at all; all it describes is a conglomeration of commercial practices based on nothing but happenstance. Arbitrarily calling these practices “the economy” doesn’t make them one.

Even some economists recognize this. J. Bradford DeLong writes, “One of the dirty secrets of economics is that there is no such thing as ‘economic theory.’ There is simply no set of bedrock

principles on which one can base calculations that illuminate real-world economic outcomes. . . . The ‘economic principles’ underpinning their theories are a fraud –not fundamental truths. . . .” But then DeLong betrays his religiosity by saying, “Not surprisingly, I believe that. . . .” But why should anyone care what he believes; does he care what others believe? Do we care what Warren Jeffs, the Pope, the CIA, a Congressman running for office, or even the men who pick up our garbage believe? Good writing teachers continually tell their students not to tell what they believe but what they know. But no one with a religious-like ideology knows anything; if she/he did, she/he would not have to rely on beliefs. And even when reality has proven believers wrong over and over again, they, like Tertullian, continue to believe. Only people without knowledge cite their beliefs.

What people don’t understand about contradiction is that it cannot be contained. Once a contradiction becomes part of a person’s thinking, a belief, a theory, a dogma, or an ideology, contradictions and their resulting nonsense abound. The nonsense pops up everywhere. Here are just a few more examples:

Economists often refer to drops in the market as “corrections.” But the word “correction” can be used meaningfully only in relation to mistakes; what is right cannot be corrected. So if market lows are corrections, market highs are mistakes. But economists not only never tell people that, they cite market highs when describing the market’s condition. Isn’t that like measuring a student’s performance by the number of mistakes s/he makes? Wouldn’t it make more sense to cite the market’s lows when describing the market’s condition? After all, the lows are the corrected numbers.

People are told to save by investing in the market. An investor buys shares of stocks or bonds. These are known generically as securities. But market fluctuations demonstrate almost daily that these securities are insecure. That's another oxymoron—the insecure security. Would people change their attitudes toward the market if they were plainly told that they were being sold securities that are insecure? I don't know, but telling people that would at least be truthful.

And then there's the ubiquitous marketing chant that no economist has ever debunked even though economists often lament the lack of saving by Americans—buy now and save; the more you buy, the more you save.

No, not here on Earth, in Heaven, or even Hell! Buying is done by spending and spending and saving are opposites. Saving by spending is impossible, sheer nonsense. But no economist has ever told a consumer that. Why? Because economists only concern themselves with adding up the money that is transferred from consumers to vendors. If Americans increased their savings, GP would decrease, the monetary economy would shrink. To prevent such shrinkage, business practices have been developed that make it impossible for people to really save. (See my piece, *Why Americans Don't Save*.)

All of the foregoing demonstrates that the only goal this conglomeration of commercial practices called the economy has is to pick the pockets of consumers for the benefit of vendors, and economists are only concerned with adding up and increasing the take. Whether consumers benefit or not is irrelevant. The goal of this "economy" is theft.

Genius is not required to understand this or even to figure it out. All that is required is close attention to the language being used. People need to listen carefully to what is being said and then ask themselves, does that make sense? More often than not, they'll conclude that it doesn't.

Language is perhaps the most complicated tool human beings use. Senseless sentences can easily be put together that delude people. Such sentences can often delude the speaker her/himself. The position of words in a sentence is not a sufficient condition for meaningfulness. The words also have to have logical coherence. Liberal economics is made up of a host of sentences whose words lack such coherence.

It is difficult to understand how an entire profession of supposedly "educated" people continues to talk this trash until one realizes that such continuous usage is a characteristic of true believers exactly like Tertullian. Just as many believe that God separated night from day before He created the Sun and stars, economists believe in contradictory notions, not because they make sense but because they don't.



## **LOW WAGE FOREIGN AND ILLEGAL IMMIGRANT LABOR**

The American business community claims that low-wage foreign and illegal immigrant labor is necessary to sustain the American economy. Their position is that the economy would collapse without this low-wage labor.

In 1861, Tsar Alexander II of Russia decided to free the Russian serfs from their bondage to landowners. When this proposal was made, the Russian boyars (the Russian Aristocracy) argued that freeing the serfs and then having to pay them for their labor would bring down the Russian economy.

This, to my mind, is an interesting coincidence. The low-wage laborers that American business now relies upon can be likened to the bound serfs of Russia. Is America progressing or regressing? Think about it.

## LYING ABOUT SOCIAL SECURITY

Republican politicians, political consultants, and political commentators are fond of saying that Social Security was never meant to serve as a retirement program but only as a supplemental program. Ed Rollins recently made this claim on CNN. This claim can't possibly be true, not even in one's wildest imagination, and Ed Rollins and these others should know it.

Social Security was signed into law in 1935, and the railroad pension system was taken over by the federal government in 1937, but in the 1930s, less than 25 percent of workers were covered by private pension plans. So exactly what was Social Security supposed to supplement? Only the pension plans of this 25 percent of workers? What about the 75 percent of workers not covered by private plans? Social Security certainly applied to them too, but they had no private plans to supplement. Even by 1960, only about 30 percent of the labor force had private pension plans, which means that 70 percent had no plans to supplement. And 1960 was a good year. Surely, in the 1930s Social Security was not meant to supplement personal savings, since there were hardly any, and IRAs were not authorized until 1974.

So why do these people persist in telling this bald-faced lie?

Phil Gramm, former Republican Senator from Texas, is reputed to have said, when a colleague argued that a change to Social Security would harm 80-year-old retirees, "Most people don't have the luxury of living to be 80 years old, so it's hard for me to feel sorry for them." Is this, by chance, the attitude that all Republicans have toward the elderly? What else can explain their continual lying about Social Security?

The American hodge-podge of pensions is a shameful, inglorious mess. Private pension plans provide not even a snippet of security. Regardless of contractual provisions, companies can

abandon both the plans and their workers whenever it is financially advantageous to the companies to do so. The money in those plans does not belong to the employees; they are company owned funds which can never be trusted or relied upon. And because of continuous Republican opposition to Social Security, which dates back to the 1930s, the Social Security System is now also inadequate. Grow old and die seems to be the real motto of the Republican party.

## MAKING PROMISES THAT CANNOT BE KEPT

*"We must not promise what we ought not, lest we be called on to perform what we cannot." -Abraham Lincoln*

When I worked on Capitol Hill for a U.S. Senator, the Congress enacted a pay raise for federal employees that was to take effect in January of the following year. Astute observers noticed that in November, vendors of all kinds throughout the area around the District of Columbia began raising the prices of most of what they sold. By the time the pay raise went into effect in January, a large portion of the raise the federal workers received went directly to vendors for purchases of exactly what was being purchased all along but now at higher prices. The workers received the raise but the vendors got the money.

What happened taught me things about American economic practices that most people don't seem to recognize. Vendors have a legal, built in, mechanism for commandeering any increases in income wage earners receive without giving back anything whatsoever in return. Vendors can take the money any time they want to. Merchants can keep consumers impoverished just by raising prices regularly. Rather than an economy that promotes prosperity, America has one that prolongs poverty

In an unregulated market, a so called "free" market, prices cannot be controlled. Controlling them would destroy the market's "freedom." So in any free market, vendors have an unlimited means of taking any increase in income wage earners receive from them. All vendors have to do is raise prices. The freedom vendors have of setting the prices of what they sell is what ultimately controls the wealth of wage earning consumers. This freedom of vendors is nothing but legalized theft.

Economists sanitize, launder, the practice by giving it a neutral name. The practice is called inflation and is universally approved of by free market economists. Central bankers even set "targets" for it. The Fed's current target for inflation is two percent. What this means is that if the target is reached, any pay raise a wage earner gets that is less than or equal to the target goes to vendors even though it nominally is given to wage earners. Wage earners have their pockets picked by inflation. If inflation exceeds the target, the theft is even greater.

No free market group of business practices can ever work for the benefit of all people. People are told, for example, that thrift is good for consumers but bad for economic growth which is measured by increases in consumer spending. So what's good for consumers is bad for vendors. People are also told the opposite: What is good for vendors is bad for consumers because it means they spend more of their incomes on consumption and save less. It follows from both of these claims that the free market, the unregulated market, cannot work for both consumers and vendors at the same time. The practices that work for vendors impoverish wage earners. A free market works well only for marketers. No battle in a free market's war on poverty has or will ever be won. Lyndon B. Johnson's War on Poverty was not lost; it was never fought because fighting it was impossible.

Yet on June 22, 2016, Hillary Clinton said, "The measure of our success will be how much incomes rise for hardworking families. How many children are lifted out of poverty. How many Americans can find good jobs that support a middle class life – and not only that, jobs that provide a sense of dignity and pride. That's what it means to have an economy that works for everyone, not just those at the top. That's the mission." But this mission is impossible to achieve. Any attempt to raise wages only

raises the profits of vendors and allows governments to take credit for generating economic growth without showing that any real growth has taken place. Being forced to pay more for the same stuff is not equivalent to buying more of it. Gross Domestic Product is not thereby enhanced.

All of this should be known by Hillary Clinton, other astute politicians, and economists. But what Americans don't know about America is legion. Even those who pass as "highly educated" are found in this ignorant group. Many are highly successful; many are elected office holders. Hillary Clinton, for example, is a graduate of Wellesley College and Yale Law School. She has been both a U.S. Senator and Secretary of State. Yet she does not seem to even know how the economy works. But she knows how government works. She has promises to break, and years to go before she weeps.

The free market puts a drain in the pockets of every wage earner that is routed to the slimy, green sewer that empties into the pockets of the rich. So in free market economies, an underclass always exists that can never earn a gainful wage. The economy never works for the people in that class. They are constantly robbed by the free market.

Promises made to induce people to support immoral economic practices, especially free market capitalism, are slimy green lies. The more vicious the promise, the slimier the lie. Political campaigns in America consists of making such promises.

Instead of building a shining city on a hill, America's Founding Fathers created a slum in a slimy sewer of immorality and ignorance. What's worse, people the world over allow this

government to guide their own actions. Nothing good can come of it!

## MILTON FRIEDMAN IN MEMORIAM

Well the world of free-market economists has lost its Uncle Milty. When I heard the news, I was reminded of one of Mark Twains quips that went something like this: When a person he was not very fond of died, he sent the following note to the widow: I regret not having been able to attend the funeral, but I want you to know I highly approved of the event. If Milton Friedman now rests in peace, cosmic justice has gone awry.

Milty was an enigma. Supremely intelligent and completely dishonest intellectually. He advocated economic freedom for the few at the expense of many. He lived in a democracy but really preferred tyranny and an established aristocracy of the wealthy. What he and his colleagues at the University of Chicago did to the people of Chile and countless other multitudes really can not and should never be forgiven. He helped create an economic holocaust that consigned whole peoples to economic concentration camps, many of which still exist. He was an exploiter of humanity, a thoroughly evil person. Yet to uncritical economists, he is somewhat of a saint. Heilbroner was right when he called economics the dismal science. If Milton now rests in peace, cosmic justice has gone awry.



## MODELS AND PSEUDO-MODELS: ECONOMISTS' ARTIFICE

Models can be built by using data gathered from the real world or by using imaginary data. But the distinction between mathematics and reality lies in interpretation. Equations and their solutions are just mathematics; their interpretation in terms of everyday experiences is what makes them useful. Yet economists emphasize the mathematics and ignore the interpretation.

When I was a boy, a very popular toy was a model kit. Model kits consisted of a number of drawings of something, such as an airplane, a number of blocks of balsa wood, a carving knife, paint, decals, brushes, and a pot of glue. The task was to carve the wood to match the drawings, decorate the pieces, and glue them together. A child who did that created a model of an actual airplane. But bright children quickly realized that they could alter the drawings, sometimes in highly imaginative and even fantastic ways, and build models of unreal airplanes. The children that did this were often highly praised for their imaginative powers and skills, but that anyone thought that these contraptions would actually fly if built by Curtiss-Wright (a major airplane manufacturer at the time) is doubtful. The children who built models following the directions built models; those who didn't built pseudo-models, but they had a lot more fun. The point is that models can be built by using data gathered from the real world, like an actual airplane, for instance, or they can be built by using imaginary data.

When Johannes Kepler sought to mathematically model planetary motion, he sought out Tycho Brahe who had assembled the most extensive and most accurate data on planetary motion available at

the time. Using Brahe's data, Kepler discovered that the planets traveled around the sun in elliptical orbits and devised formulas which could not only be verified by further observation but could be used to predict the position of planets on future dates. Kepler created a model.

Of course, and analysis of economic models is hampered by numerous obstacles. Any model is object, event, or problem specific. Not much can be learned about an F4U Corsair from a model of an F4F Wildcat. What economists consider a model is also unclear. For instance, is Ricardo's discussion of comparative advantage a model? What about Schumpeter's principle of creative destruction? If not, what are they? For discussions of these, see my papers Creative Destruction and More Economic Nonsense and Specious Econo-Think. Without any firm criteria that define an economic model or how models are to be constructed, a critic is unable to know that an analysis of this or that "model" provides results that are general enough to be probative. Someone can always say, "Oh well, the results you have gotten only apply to that specific model." Since there is no authentic list of economic models, no one can possibly know that all the models have been analyzed, so any generic criticism can always be dismissed.

Yet it does appear that many economic models share a common design. First, read any history of economic thought. Purely imaginary data are used to either support or illustrate the theories. (Often which of these two purposes the data serves is unclear.) Ricardo's discussion of comparative advantage is an excellent example of this practice. Second, the models appear to be little more than an elucidation of a "favorite idea" even when counterexamples are prevalent. Favorite ideas, however, are

dangerous things. Michael Faraday noted that “By adherence to a favorite theory, many errors have at times been introduced into general science which have required much labour for their removal.” And Clausius, discovering the second law of thermodynamics, noted that the caloric theory “has become more like a religion than a science.” Third, the models appear to be entirely deductive, examples of what philosophy professors call a priori reasoning which experimental sciences discarded long ago. A very good example of such model building is to be found in Krugman’s Increasing Returns, Monopolistic Competition, And International Trade, one of the papers for which he received the Nobel Prize.

Krugman’s paper consists entirely of deriving theorems from postulates which he labels “assumptions.” It looks and reads much more like Euclid’s Elements than Kepler’s model of planetary motion. Krugman’s reasoning is purely deductive. No empirical data are to be found in the paper; the “assumptions,” often written in mathematical formulas, seem to be taken as obviously true, since no justification for even a single one is provided, and Krugman even qualifies the paper’s results with sentences such as. “This is a view of trade which appears [emphasis mine] to be useful in understanding trade among the industrial countries.” He even draws conclusions from some of the formulas about how human beings will act. Krugman writes, “consider the behavior of a representative individual. He will maximize his utility (1) subject to a budget constraint,” and “this will lead entrepreneurs to start new firms.” But no mathematical formula can constrain either “representative individuals,” (whatever they are) or “entrepreneurs” to do anything, unless, of course, Mr. Krugman has a voodooish ability that can be likened to sticking a pin in a doll and causing the person the doll

represents to feel pain. This kind of model building gives new meaning to George H.W. Bush's term "voodoo economics"

Much has been learned about formal deductive reasoning since mathematicians began to investigate the foundations of arithmetic, the development of Bolyai-Lobachevskian geometry, and mathematical (symbolic) logic. One of the lessons learned is that only conditional statements can be derived from formal systems. The theorems are true only if the assumptions are. And a logical principle known as modus tollens says that if the consequent of a conditional statement is false, the antecedent is also false. The every recurring dismal state of the worldwide economy strongly supports a claim that the theorems of economic models are false. The only logical conclusion is that the assumptions are also false.

All that can be derived in a formal system is what the postulates have built into them. So a formal system can be used to prove anything desired; all that is required is that the appropriate postulates be assumed. That Krugman and others consider formal systems "models" is interesting. Has Euclid's Elements ever been referred to as a model? Hilbert and Ackermann's formal presentation of mathematical logic is not a model of anything and has never been referred to as one. Yet both of these serve as paradigms of formal systems.

Abstract formal systems are easy to build; any bright child can build them. First, write a formula containing a number of variables, for instance,  $A=B+C$ . Then define both B and C in other formulas, say  $B=D/2$  and  $C=2E$ . Then replace either the B or C in the first formula with these definitions and solve the equation for B, C, D, or E. Child's play! But what has been proven? Absolutely

nothing! The difficult part for economists is not the derivations; it is the choice of assumptions. But Mr. Krugman's paper says nothing about them.

I suspect that Mr. Krugman would say that he hasn't said anything about them because they are either commonly accepted principles of Classical/Neoclassical economics or variations of such commonly accepted principles. But that's a dodge. Because something is commonly accepted doesn't mean it's true. And when someone questions the validity of a model, the truth of the assumptions is what is being questioned, not the derivation of their consequences; yet formulas not derived from or verified by empirical data are merely definitions. So Mr. Krugman has created nothing but a pseudo-model.

Some economists claim that they don't get things right because economics is so difficult. After having spent most of my life in classrooms, I can confirm that that is exactly what intellectually challenged students say when they find mastering a subject formidable. So are economists intellectually challenged?

No, but there is another possibility which orthodox economists never address. Consider the problem of modeling planetary motion. Between sometime in the fifth century BCE and Johannes Kepler's publication of *Astronomia Nova* in 1609, the best mathematical minds tried to find a model to explain the irregular motions of the planets. All the models were based on Aristotle's assumption that celestial bodies were attached to concentric celestial spheres which implied that celestial bodies traveled in circular paths. Observational data belied this assumption, but mathematicians continued to assume it and tried to alter the basic circular paths by adding more and more elements to the model.

Mathematicians first added component spheres to the simple concentric spheres, then added eccentrics (points and axes located elsewhere than at or through the geometric center), then epicycles (circles on the circumferences of circles), then equants (points placed directly opposite the Earth from the center of larger circles), then the Tusi couple (a small circle which rotates inside a larger circle twice the radius of the smaller circle) was devised, and finally, Tusi couples were combined with epicycles to eliminate both the eccentrics and the equants, but the combination required numerous epicycles and Tusi Couples. No matter how complicated the models became, no model ever provided a satisfactory explanation of planetary motion.

Surely during this long period, some mathematicians believed that the problem was just too difficult. They were wrong, of course. Given the ideas the models were based upon, the problem wasn't too difficult, it was impossible. All models based upon false assumptions make their problems impossible to solve. When Kepler realized the impossibility of any solution based on Aristotle's assumptions, he discarded them and found the solution that had eluded mathematicians for two millennia.

The theory of celestial spheres, introduced by ancient Greeks, was the mainstay of the geocentric system. Copernicus and the others were somehow unable to dismiss a theory that was officially accepted. Our economists act just like Copernicus. They should ask whether they can't get things right because all of their ideas about economy are wrong. If they are, continuing to apply them will never get anything right. No number of models, no matter how complicated and interesting intellectually, will suffice. Paraphrasing Gibbon, "Are economists sacrificing the happiness of millions to a fond partiality to a worthless idea since most of

the crimes that disturb the internal peace of society are produced by the theory's confining to a few the possession of those objects that are needed by all?" Edward Gibbon and Adam Smith were contemporaries. That's how long this question has been crying out for an answer. How much longer must humanity wait?

Classical/neoclassical economics has now held sway for more than two hundred years, and mathematical models have been built to support it for at least half of that time. But the basic consequences of the theory have not changed materially. The cycles of boom and bust continue to reoccur. Wealth is created and then destroyed. People get jobs and lose them; get homes and lose them; save money and lose it. It is an idiotic system. How would we describe a person who built an edifice in a part of a river's floodplain that is inundated every year or so and watched his edifice disappear during each flood but continued to rebuild it in the same place? Didn't Einstein call doing the same thing over and over again and expecting a different result a form of insanity?

The most difficult thing to explain is why apparently intelligent people are either unable or unwilling to recognize the idiocy. Is it because they are not greatly affected by the busts? Is it because they merely don't care what the system does to most people? Or is it because their minds are constrained by a commitment to a worthless idea? What economics needs is a Johannes Kepler.

## MONEY AND THE TRUTH ABOUT AMERICA

President Obama has said that he will not allow people-programs to be cut so that the wealthy can receive tax cuts because our nation is “better than that.” But what America is cannot be distinguished from its economy which exists merely to accumulate money. It’s why the maxim is let the buyer, not the vendor, beware. But in an equitable economy, no one would need to beware. No banker will ever be prosecuted for the banking practices that brought down the economy, because if such questioning were allowed, the entire basis of the “American way of life” would be called into question. An economy whose primary concern is not the welfare of the people it serves will always require the people to live and die for some non-human goal. People will be used just like worker ants, and no one will really care when they fail to return after being sent off to do their prescribed jobs. To be subordinated to some non-human purpose is to be expendable.

Have you ever wondered about standard banking practices that seem to make no sense? Well, consider these:

A bank will accept a car or house as collateral for a loan but not the furniture you just purchased using a bank-issued credit card. What does the bank know that you are not being told? Is it that the furniture is not worth nearly what you have just paid for it? If it were, wouldn’t it serve as collateral?

Or this: a person goes to a bank and applies for a loan. S/he is asked to show that her/his debt to income ratio lies at or below one designated by the bank. Perhaps the debt cannot be more than 40 percent of income. Sometimes the bank claims that even



lending at that ratio is risky, but is willing to grant the loan at an interest rate greater than what borrowers with better ratios can qualify for. The higher interest rate is supposed to compensate the bank for the risk.

People have accepted this explanation for eons, but it can't possibly be true. The higher interest rate is mathematically equivalent to reducing the borrower's income which, in turn, increases the borrower's debt to income ratio and would disqualify her/him for a loan. Furthermore, the bank granting the loan has no control over the borrower after the loan has been granted. The borrower can, for instance, go out the next day and buy a car, utterly destroying the income and debt ratio s/he had presented to the bank. Nothing about this practice makes any logical sense. If the bankers were truly concerned about lowering the risk, the logical thing to do for a risky borrower would be to lower the interest rate, not increase it. So what is this charade all about?

Applying for a mortgage involves the same practice but even more so, because mortgage lending yields huge profits. A mortgage lender's profit is often 100 or more percent of the loan because of the way interest is calculated. But where did the formula that American banks use for calculating interest originate? The names of mathematicians are often associated with the formulas they invented or discovered. Remember the Pythagorean Theorem? But the formula used to calculate interest is named after no one. Was s/he ashamed of having devised it?

In truth, an infinite number of formulas could be used for such calculations, so why is one and only one used in the U.S.? After all, when Moses descended Mt. Sinai toting engraved stone tablets, the formula for calculating interest was not inscribed on

any of them. But the answer can be found by looking at the essence of lending and borrowing.

In centuries past, philosophers wrote much about essences. Not so anymore. But revealing essences uncovers things about concepts that are otherwise kept hidden. For instance, the essence of lending/borrowing is very simple. The following three examples reveal it:

(1) A neighbor asks to borrow a cup of sugar. The lender supplies it, the borrower uses it while baking, directly satisfying a human need, and later returns an equivalent amount of sugar to the lender. (2) A neighbor asks to borrow a lawnmower. The lender supplies it, the borrower uses it to mow his lawn and later returns it to the lender. (3) A coworker who has left his wallet at home asks to borrow ten dollars for lunch. The lender supplies it, and the borrower buys lunch with it and later returns ten dollars to the lender. These are examples of ordinary, everyday, lending and borrowing.

The essence of this concept consists of four things: a lender, a borrower, something that passes back and forth between them that directly serves a real human purpose, and the lender retains ownership of the thing lent. The lender exacts no premium (fee, profit) for having made the loan. It is a simple transaction between one human being and another in order to enable one to satisfy a human need that would otherwise have gone unsatisfied.

When bankers engage in a practice they call lending, the practice is completely different and has a different purpose. Bankers always exact a premium, a fee. What bankers do is really a form

of renting; it is not lending, and the way the amount of rent is calculated is really troublesome.

The three ordinary cases of lending mentioned above can easily be altered to fit the banker's case: The amount to be repaid equals the amount lent plus interest). In the ordinary examples above, the premium (interest) equals zero. But the premium is determined in different ways in different countries or for different types of loans. (See economist Tim Madden's most revealing article.) In fact, the way banks in the U.S. calculate mortgage interest is illegal in Great Britain because the stated interest rate is deceptively lower than the actual interest rate being charged.

Anyone with even modest mathematical talent can devise numerous ways of calculating premiums. In fact, numerous ways are quite well known. There is fixed interest (some constant number), simple interest, compound interest, effective interest (used in Great Britain), nominal interest (used in the U.S.), etc. So the ultimate question is, Why so many ways of determining the same thing? The answer, of course, lies in the amount of profit the lender is willing or allowed to extract from the borrower. So why is nominal interest used in the U.S.? Because the effective rate is always higher than the stated nominal rate. So, at a 6 percent nominal rate, for instance, the borrower actually pays the lender 6.17 percent back in interest. In other words, the nominal rate enables lenders to extract the highest amount of interest. That difference may not look like much, but as the interest rate is increased, the difference increases geometrically. The use of the nominal method was required by Congress in 1968 in, believe it or not, the Consumer Protection Act. Why did the Congress do that? I don't know, but I know it was not done because the

members of Congress were representing their common constituents' interest.

A revelation lies in this situation that every American should be aware of. In the common lending/borrowing situation illustrated above, the lender acts to help a fellow human being satisfy a human need. Bankers don't do that; they don't care about people or their needs. Their only concern is profit and they're going to attempt to extract it whether it helps or harms human beings. Bankers do not mortgage houses to provide homes for people, they mortgage houses to extract profit, and if the borrower for one reason or another defaults, bankers show no willingness to work with borrowers so they can keep their homes. Borrowers are merely evicted, losing everything they have invested in the house.

As far as risk is concerned, bankers providing mortgages are doing exactly what the bankers described in the second paragraph of this piece are doing. The higher the interest, the riskier the loan. Increasing the interest is mathematically equivalent to reducing the borrowers income. So although bankers say they need all the information about income to debt ratios to determine the riskiness of the loan, they are in fact deliberately using it to make all loans riskier. As a matter of fact, Roger Farmer, chairman of the economics department at UCLA, says, "The most successful bank is the one that takes on the most risk." And "Risk is an integral part of the engine of capitalist growth." So the bankers who brought down the economy with the housing bubble were not doing anything new or unusual. They were doing what bankers have always done; they just lost control of the process.

These little scenarios prove that the American economy and government do not exist for the sake of the American people; they are not meant to enhance the condition of American lives; they exist only to allow for the accumulation of capital in the hands of financiers who have absolutely no concern for the lives and welfare of the nation or its people.

This process of accumulation does not even have a single human purpose. It is nothing but a world-wide Monopoly game played just for the playing. The lives of those who play this game have no human meaning. Sometimes those who play come to realize the human meaninglessness of it and attempt to relieve their consciences by trying to find “worthwhile” causes to which to donate their “winnings.” These robber barons realize that this vast wealth can not buy them or anyone else anything that satisfies an authentic human need, so they hope that they can buy some great discovery, like a cure for cancer or malaria, to give meaning to their lives.

This situation can be likened to life in an anthill.

Ants form colonies made up of one or more fertile females (queens), fertile males (drones), and sterile wingless females of workers, soldiers, and other specialized groups. The queens continually lay eggs and the workers and soldiers continually fight and forage without ever wondering why. And when workers or soldiers fail to return to the hill, no ant of any class cares. No search parties are ever organized, no grief is exhibited, no notice is taken. Ants are not hatched and do not work to enhance the condition of formicidal life. Ants do what ants do just because they do it, not for some formicidal purpose. So too with

bankers. Their magnificent human brains have enabled them to attain the heights of insects.

The trouble is, the entire economy functions in the same way. Supplying people with needed products or services is not any vendor's goal; extracting profit is. That's why bankers won't accept the furniture mentioned in the first paragraph of this piece as collateral. Furthermore the entire American commercial code centralizes this purpose and protects the rights of vendors to engage in it. That's why in a commercial bankruptcy, the bankrupt company's assets go first to commercial and last to human creditors. It's why companies can sell you products that don't work but you can't buy products with checks that don't work. You can't even buy products that don't work with checks that don't work. It's why the Fed exists and why bankers and companies get bailouts but people don't. It's also why no banker will ever go to jail for the fraud committed in the housing collapse and the foreclosure scandals. What most people view as fraudulent activity is, in fact, what America does, and what America does is done for the sake of money, not for the sake of people. It's why the maxim is let the buyer, not the vendor, beware. But if the economy were designed equitably, no one would need to beware. Buyers are told to beware because even the legal system recognizes that the economy cheats. In fact, if questioning the practices of bankers were allowed, the entire basis of the "American way of life" would be called into question, and the legal system cannot allow it.

Jefferson recognized two things that America's history has proven to be true: "If the American people ever allow private banks to control the issue of their currency . . . the banks and corporations . . . will deprive the people of all property until their

children wake-up homeless on the continent their fathers conquered.” (In 2009, 43.6 million people were living in poverty.) And, “Merchants have no country. The mere spot they stand on does not constitute so strong an attachment as that from which they draw their gains.” (U.S. multinational corporations . . . cut their work forces in the U.S. by 2.9 million during the 2000s while increasing employment overseas by 2.4 million.) So Jefferson’s claims have come to be because of these practices that we call an economy.

President Obama has said that he will not allow people-programs to be cut so that the wealthy can receive tax cuts because our nation is “better than that.” Is it? Really? Well, just watch and see.

Vague talk about this culture’s values is prevalent. But values are made evident not in what people say, but, as Emerson writes, in what they do. (“What you do speaks so loud that I cannot hear what you say.”) This culture has but one value, and it is not people, their lives, or their welfare. It’s the accumulation of capital acquired by hook or crook.

In his deficit reduction speech given at George Washington University, the President acknowledged that that this was the America he believed in when he said that, “From our first days as a nation, we have put our faith in free markets and free enterprise as the engine of America’s wealth and prosperity.” Unfortunately, people who make claims using the Pontifical “WE” are usually dissembling. Just who does the “we” refer to and when were they given a choice? Furthermore this acknowledgement clashes with the rest of what the President said: “The America I know is generous and compassionate. It’s a land of opportunity and optimism. Yes, we take responsibility for ourselves, but we also

take responsibility for each other. . . . That's who we are. This is the America that I know. . . . We will all need to make sacrifices. But we do not have to sacrifice the America we believe in." But exactly which America is that? The lying, thieving banker's America or the difficult to identify compassionate one?

What America is cannot be distinguished from its economy. The economy is deeply embedded in the American legal system. There are not two things, a country and an economy. They are identical. Numerous people have made suggestions for improving this political economy and most of them would ameliorate the nation's problems. But what few realize is that tinkering with this economy cannot solve its problems. An economy whose primary concern is not the welfare of the people it serves will always require the people to live and die for some non human goal. The people will be used just like worker ants, and no one will really care when they fail to return home alive. To be subordinated to some non-human purpose is to be expendable.



## MORALITY AND AMERICA'S MORALITY MOVEMENT

A substantial group of Americans are pursuing issues that they loosely term moral, and their claim to the use of this adjective seems to have been accepted unquestionably; yet it has never been subjected to any critical analysis. So let's talk about morality. Ethics and morality have been studied by human beings for thousands of years, so it is not something we don't know much about. And there are some special moral maxims that are very well known.

One of the earliest, and one that most people are familiar with, is the Golden Rule, which in ordinary language says, Treat others in ways that you would want them to treat you. Although most people think this is a good rule for moral behavior, even as an adolescent, I did not. And one summer, in Catholic Bible school, I said so to the nun who was our teacher. She replied by asking me if I could propose a better one. I quickly replied with, Treat others better than you would want them to treat you. She admitted that that was a better rule but thought that people would never abide by it, and I told her, in reply, that I didn't see many people abiding by the Golden Rule.

Some parts of the Ten Commandments are also cited as moral maxims: The last six Commandments honoring one's father and mother and censuring killing, adultery, stealing, lying, and coveting can easily serve as a rudimentary ethical system. And they are not bad rules, but I don't believe that they amount to a full fledged moral system. And they, too, are not followed very closely even by those who claim to have adopted them.

Another well-known moral system is Utilitarianism, which can be paraphrased by saying, Act so that the result is the greatest happiness for the greatest number of people. The major problem

with this system is measuring happiness. How can anyone do that?

And then there is, perhaps, the summum bonum of ethical maxims Kant's Categorical Imperative which can be paraphrased as, Never treat a human being as a means to an end, but always treat him as the beneficent object of your action.

Now although none of these moral maxims have had widespread acceptance, any of them would be better than adopting no moral maxim at all. And it is this lack of a clearly stated moral maxim on the part of America's moral right that bothers me. Just what morality are they attempting to legislate into acceptance?

As far as I can tell, only two issues concern them: abortion and homosexuality. But let's play a game.

Suppose that abortion and acknowledged homosexuality were made illegal. How would either of these acts improve the moral climate in America?

Would either reduce the lying and cheating that is so prevalent in our society?

Would either decrease the amount of crime in our society?

Would either reduce the number of children being raised in poverty or in one parent homes or provide them with greater access to nutritious diets and access to medical care and even basic safety?

Would either reduce the number of hardships our elderly often face?

Would either reduce the use of controlled substances and the disastrous effects their use often has?

All of these and others, too, are moral issues, and the adoption of any one of the moral maxims mentioned above would have an effect on all of them, but outlawing abortion and homosexual behavior would not affect a single one.

So what does the claim that these proponents of a moral America amount to?

I don't know, but it certainly isn't morality. At best, its a morality that is relative to their own peculiar predilections. To call these people proponents of morality or to even allow them to call themselves proponents of morality is such a gross indifference to truth and such a fundamental misuse of language that it is itself grossly immoral.

So just as thieves often attempt to clothe their thefts in robes of virtue, so too the sinful attempt to dress themselves in suits of moral armor. But it's all show. None of it is real.

## MORALITY AND ECONOMICS

### *A Critical Review of Joseph E. Stiglitz's Writings*

Joseph Eugene Stiglitz is an American economist and a professor at Columbia University who received the Nobel Memorial Prize in Economics in 2001 and the John Bates Clark Medal in 1979. He is one of the most frequently cited economists in the world and has served as a Senior Vice President and Chief Economist of the World Bank. He has been critical of the management of globalization, free-market economists, and the International Monetary Fund and the World Bank. He is the founder of the Initiative for Policy Dialogue, a think tank on international development based at Columbia University. He also chairs the University of Manchester's Brooks World Poverty Institute and is a member of the Pontifical Academy of Social Sciences. He served in the Clinton Administration as the chair of the President's Council of Economic Advisors, has advised President Barack Obama, and was a lead author for the Intergovernmental Panel on Climate Change. Most interestingly, he is a member of Collegium International, an organization of leaders with political, scientific, and ethical expertise whose goal is to provide new approaches in overcoming the obstacles in the way of a peaceful, socially just and an economically sustainable world, but his views on morality seem, at best, to be trivial.

In a piece titled Moral Bankruptcy he states that:

“Too little has been written about the underlying moral deficit that has been exposed. ... We allowed markets to blindly shape our economy, but in doing so, they also shaped our society. ... We have created a society in which materialism overwhelms moral

commitment, in which the rapid growth that we have achieved is not sustainable environmentally or socially, in which we do not act together to address our common needs. Market fundamentalism has eroded any sense of community and has led to rampant exploitation of unwary and unprotected individuals.”

Of course, he’s right, but his claims are too generic and he fails to address their implications.

We? No, not we. Not I nor anyone I have ever personally known has done any of it. Our economists and our ruling, oligarchic elite have done it. And the implications that follow but which Stiglitz fails to address are that a society’s values are acquired from its economic system, that no nation that adopts such an economic system can be a force for good in the world.

Capitalism is an immoral system and it destroys any vestiges of morality in any culture that adopts it. Capitalism violates the Golden Rule; it violates at least four of the Commandments; it repudiates the teachings of Jesus, it transforms the Seven Deadly Sins into best practices for business; it violates Kant’s Categorical Imperative, and it turns Utilitarianism’s “greatest good for the greatest number” into the “greatest good for the smallest number.” It even violates the moral principles Adam Smith put forth in *The Theory of Moral Sentiments*. No known moral doctrine can be used to support it.

All of this has been known for two hundred of years.

Stiglitz mentions the immorality in exorbitant pay for corporate executives, but never mentions the immorality in enticing workers to regularly contribute to retirement funds and then

making the money and the retirement dreams evaporate like morning dew, the immorality of selling homes to families, taking their money, and then evicting them, the immorality of the absurd situation in which workers still holding jobs have both income and healthcare while those who have lost their jobs have neither.

Stiglitz was there when Reagan, on the advice of economists such as Arthur Laffer, opened the barn doors and allowed the mules of regulation to escape. He was there when Nixon turned the dollar into Monopoly Money. He was there when Clinton promoted NAFTA. He was there when Bush gave the largest tax cut in history to the wealthy. He was there when the housing bubble was expanding. Where were the moral protestations? None were heard from Stiglitz.

Stiglitz is to the economics profession what John McCain is to the Republican party – a maverick. He objects, once in a while, to this or that but is, nevertheless, a tried and true believer in neo-Keynesian Capitalism. He, like all mainstream economists, is merely willing to tinker with the Model A's engine to keep the clunker running. But if Capitalism is immoral and infuses immorality throughout society, one cannot consistently bemoan the latter while advocating the former. Doing so is irrational.

When Lloyd Blankfein claimed he was “doing God’s work,” no one in the economics profession, not even Stiglitz, pointed out that that was what the chief priests said to Judas Iscariot when they handed him thirty pieces of silver. When Stiglitz resigned from his position at the World Bank, he said, “I saw how the IMF, in tandem with the U.S. Treasury Department, responded [to the way the IMF treated the developing countries it is supposed to

help]. And I was appalled.” Praiseworthy, but hardly an indictment of the IMF’s morality.

The International Monetary Fund, financiers, and mainstream economists have apparently adopted Shakespeare’s Shylock as their role model. They always prefer taking a pound of flesh to providing an ounce of compassion. The morality they have adopted is the morality of Machiavelli. Currently it is being applied by Great Britain, the Netherlands, and the ECB on Iceland and Greece and soon, perhaps, to others. Everything done and advocated is immoral because a greater value is placed on money than on the welfare of human beings. But where are the moral protestations?

Stiglitz writes, “Exaggerating the virtues of one’s wares or claiming greater competency than the evidence warrants is something that one might have expected from many businesses. Far harder to forgive is the moral depravity—the financial sector’s exploitation of poor and middle-class Americans. Our financial system discovered that there was money at the bottom of the pyramid and did everything possible to move it toward the top. We are still debating why the regulators didn’t stop this. But shouldn’t the question also have been: Didn’t those engaging in these practices have any moral compunction? . . . Part of moral behavior and individual responsibility is to accept blame when it is due.”

Well sure. But it has been said that the promise of forgiveness and salvation guarantees bad behavior. So does the limited liability, or no liability at all, of corporate executives and the members of their governing boards for the harm—physical, emotional, and financial—that they inflict. When an economic system is immoral

through and through, why should anyone be surprised by the immorality of its participants?

Economists as a class are deluded people. They have deceived themselves into believing that they are engaged in a rational profession even when they are apparently unable to recognize even the most elementary fallacious reasoning. They have deceived themselves into believing that expressing their beliefs in mathematical equations makes them scientists, ignoring the fact that even the theory of relativity, which is entirely mathematical in essence, was not recognized as being “scientific” until it was confirmed during the solar eclipse of 1919. Knowing how to add, subtract, multiply, and divide doesn’t make one a mathematician. They have deceived themselves into accepting their beliefs as knowledge. Read any economic blog and count the number of times ‘believe’ or one of its synonyms is used and how infrequently the word ‘know’ is. I was once led to tell a colleague who taught economics that if economics were to be taught in colleges and universities, it should be relegated to schools of theology where sectarianism is allowed. What other “scientific” enterprise is made up of sects? Economics, however, has Austrian, Keynesian, Fresh Water, Salt Water, Fundamentalist, and Reformed sects at least. Stiglitz’s claim that part of moral behavior and individual responsibility is to accept blame when it is due applies to economists, too.

Stiglitz writes, “self-deception is no crime, nor is persuading others to share in that self-deception.” Good thing for him. If it were, most economists would be in jail.

Stiglitz shared the Nobel Memorial Prize in Economics for his contribution to the theory of information asymmetry which holds



that whenever markets are incomplete and /or information is imperfect, even competitive market allocation is not constrained Pareto efficient. Well Joe, you could solve that problem by merely requiring that businesses tell the truth, the whole truth, and nothing but the truth. That would be a small step toward restoring morality's place in society.

He asks, "Why are we letting Wall Street off so easy?" Well, we are not. Only our mainstream economists and our ruling, oligarchic elite are. Our economists, our ruling elite, and Wall Street's principals are after all merely birds of a feather who flock together to protect their own interests at everyone else's expense.

## MORALITY IN AMERICA

Americans are an astounding people. We have a political right which claims to be motivated by the desire to combat America's immorality. This group can get provoked by the most meager problems; yet stands silent in the face of gigantic ones. This group is especially fond of advocating the public display of the Ten Commandments. If I had any reason to believe that such postings would improve the morality of Americans, I would praise these people to the heights of the heavens. But I know that such postings would not generate even a whimper of an effect on this society. How do I know that? Well, I know it because I see those same Americans supporting corrupt political and economic systems.

When was the last time you heard a political scion say anything substantial that you knew was truthful? Interestingly enough, even the conservative right wing constituency of the Republican Party has begun to recognize the perfidy of the Republicans they have helped elect. On April 1st, the Dallas Morning News reported that, religious conservatives say they've been electing candidates but not getting the results they want. And leaders worry that they might be about to lose Christian conservatives as a potent political force because of unmet expectations on a host of issues and stumbles by a Republican administration they helped elect.

Has the Christian right discovered what Blacks discovered about Democrats decades ago? Politicians of either stripe openly promise a full course Thanksgiving dinner while campaigning for election, but when elected, they deliver at most a bone from which most of the meat has already been picked. What the Christian right is about to discover is that the only bone they'll get from the Republicans is a wishbone. The simple truth is that both

Democratic and Republican politicians are inveterate liars. They break the ninth commandment almost every time they speak; yet, no one has the integrity to call them the liars they are.

And then there is our noble economic system. The Latin Caveat Emptor has been widely known for ages. It tells buyers to beware because sellers lie. Our economic system is based on this kind of perfidy. Watch television for one evening, paying attention to only the ads. See how many you can identify that tell the truth about the products being advertised. Watch the History Channel, a channel devoted to revealing the truth about so much that has been hidden in the past. Look at the ads. Almost all of them are blatant scams. So here we have the ultimate irony history's truths financed by commercial lies!

But, yes, many of the issues the moral right is concerned with need attention. I won't deny that. What I will say, however, is that none of those issues will ever be ameliorated unless Americans tackle the gigantic ones. If we don't eliminate political and economic corruption, not a single minor moral problem will be ameliorated.

In a culture where the most important functions are founded on corruption, corruption seeps into every nook and cranny, crack, and crevasse. Regardless of the moral values children are taught in their homes, schools, and churches, the morality they adopt is the one forced upon them by trying to survive in the world of adult living. And in a world in which both the economic forces and the government lie to and cheat everyone, everyone learns to lie and cheat to survive.

## MORE DAMNEDEST STUFF ECONOMISTS SAY

Bernard Weinstein writes that high gas prices are not about price gouging (Dallas Morning News, June 1, 2007). They're nothing but the result of the law of supply and demand working. Trouble is it takes him 728 words to say it, and it's purebred bull.

Economists educated in American universities are under the delusion that economics is a science, a social science. When I was studying philosophy and mathematics, all the students I knew called it pseudo-science, and it still is. Ask ten economists to make a prediction about an economic event based on their scientific knowledge, and you won't get unanimity. I learned that decades ago watching Wall Street Week with Louis Rukeyser and soon gave it up as a waste of time. Contrast that with what ten chemists will tell you will happen if you combine certain chemical elements. So economics a science? Not by a long shot. Yet American economists never seem to learn this lesson. And that is very suspicious.

But consider supply and demand. That so-called law is based on a primitive agricultural model built before the time that agricultural products could be easily preserved. If growers had a bumper crop of apples, selling them all might require lowering an apple's price; most of the apples not sold would rot and have to be discarded. But what does demand mean in this situation? The number of buyers willing to pay the going price of apples. Presumably, if the price were lowered, more buyers would be willing to buy. But there is nothing necessary about it. In a small community, for instance, everyone could very easily have had his overfull of apples, in which case the sellers would not even be able to give them away. So much for the law of supply and demand.

Consider another example. Suppose a seller of electronic products knows that a new model of a radio he has in stock is about to be delivered in two weeks, but he still has a few of the last model available. He knows that the new radio is only cosmetically different from the old. After all, it has been a long time since basic radio circuit technology has been improved upon. So he says, if I lower the price, I may be able to get rid of them before the new models arrive. But I really don't have to; radios don't spoil. So instead of lowering the price, he decides to raise it ten percent and put a for sale sign of ten percent off on the radios. And even if he still has some of these available when the new model arrives, he merely raises the price on the new model so that it is ten percent higher than the raised price of the older model. Since he knows that a lot of buyers buy by looks, he knows that some buyers will buy the newer model even if its price is higher, and that others will decide to buy the older model because of its lower price. Under this scenario, the seller increases his profits on both models. Law of supply and demand be damned!

And what can we say about the price of satellite tv? The supply of transitions to homes is virtually infinite; yet the demand is decidedly limited. If the law of supply and demand were really a law, satellite tv would be virtually free. But damned, it isn't.

Poor Mr. Weinstein! Either he knows he's full of purebred bull and is deliberately spreading propaganda or he's incredibly stupid. Take your pick; I don't think he's stupid.

Gasoline prices are a function of many factors, the price of crude being only one of them. Other factors are the costs of refining crude into gasoline, and oh that ubiquitous thing called profits. Oil companies can manipulate all three, but especially the latter two. Shut down a refinery for maintenance when the demand is high, and they've reduced supply and have an excuse to raise prices citing supply and demand. Shut almost all of them down at

the same time, which for some reason, the oil companies do, and we have a crisis. Oh, what a wonderful excuse to call upon the law of supply and demand.

John H. Seesel, associate general counsel for energy at the FTC, may not be able to define "price gouging" but there are two definitions implicit in the previous paragraph. If Mr. Weinstein can find them, he can send them to Mr. Seesel.

## MORE ON EUPHEMISM-THE VICTORY OF APPEARANCE OVER REALITY

A shallow view of the use of euphemism holds that it is the result of the desire to make what is ordinary and sometimes even trivial look important. So garbage men are called sanitation workers even though there's nothing sanitary about what they do, including the sanitary land fill. Policemen are called law enforcement officers even though they have nothing to do until the law is broken. They certainly don't force people to obey the law; they attempt to arrest people who have already broken it. And, to mention only a few, there are the euphemisms used in the business community, perhaps the most egregious of which is the Department of Human Resources.

What would you say about a company that purchased its workers computers that were to be used only for word processing, and then, when the need arose for spread-sheeting, went out and purchased still another computer for each of its workers to be used only for the creation of spreadsheets, and then, again, when the need arose for graphics, went out and purchased still another computer for each of its employees to be used only for the creation of graphics. Pretty stupid, huh? But that is exactly what companies do with their employees.

Human beings, of course, were multitasking long before any machine was invented. Every human being is a multifaceted being; each has numerous interests and talents; no human being is a single purpose machine. But when an employee joins a company, he is human resourced into a job description, a pigeon hole, and that's the extent of what the Department of Human Resources knows about him/her. The employee is not looked upon as a resource; s/he's looked upon as a tool.

When personnel departments morphed into departments of human resources, nothing changed but the name. So a mere record-keeping function was made to look like something more. Yet it was still merely a record-keeping department.

What results from this failure of corporate departments of human resources to know what resources are available?

Well, if a company has a problem it needs expertise on, it can't ask its human resources department if anyone already employed has that expertise, because the human resources department doesn't know. There is no pigeon hole for that tool. So companies are forced to bring in outsiders, sometimes at enormous costs, to provide the needed expertise that the company already has. What's worse, sometimes the outside expert doesn't know as much about the matter as some overlooked employee already within the company.

So this failure on the part of departments of human resources to really know what resources are available forces companies to act just like the imaginary company that buys each employee a different computer for each different task the employee performs. And this practice is just as idiotic when dealing with human beings as it is when dealing with computers.



## MORE ON THINK TANKS

About a week ago, I responded to an article I saw in the Dallas Business Journal that reported on a new study published by the Pacific Research Institute that ranked states in relation to their efforts to engage in tort reform. I posted that reply on 06-12-09 (Think Tanks or Stink Tanks?) and sent a copy of it to the PRI, from which I then received three replies, two of which were substantive.

In my post, I attempted to make two small points that reports issued by privately funded think tanks need to be viewed with suspicion and that the reported findings did not square with regularly published and readily available data. Consisting of a mere 532 words, it never occurred to me that it could be taken by anyone as an attempted refutation.

The reasons for my view that such reports should be viewed with suspicion are fairly obvious. First, so-called think tanks are privately funded institutions founded to promote specific points of view. So far as I have been able to determine, none makes a claim of being objective, and I have never seen a report issued by any of them that did not support the point of view it was committed to advocating. Second, these think tanks are vanity publishers; they publish their own studies without submitting them to any objective peer body for review, so the inexperienced reader has no assurance that the studies are not based on cherry-picked data, that his leg isn't being pulled, or even worse, that the wool isn't being pulled over his eyes. None of the comments I received from the PRI addressed this aspect of my post.

The second intention of my post was to point out that the findings of the report in question did not square with regularly published and readily available data. That brought what at first appeared to

be an onslaught, but which, upon careful consideration, amounted to very little.

In making this point, however, in fewer words than this piece already contains, I was merely raising a question that, unfortunately, the people at the PRI either failed to see or refused to answer.

There is a movement in this country by various business-friendly entities to promote what are called business-friendly tax policies and other legislation. This movement can be viewed as merely an attempt by business to use government to promote the its own welfare at the expense of everybody else, which, even if true, is not something the members of this movement will admit. So they attempt to justify support for their goals by claiming that such business-friendly policies promote the general economic welfare. Various arcane and sophisticated arguments are presented to make this case, and an army of statisticians would be required to adequately evaluate them; yet there is a rather simple way of doing somerely ask are the people in the states that have adopted these business-friendly policies better off than the people in the states that haven't? If the claims of the people promoting these policies are true, then the people in the states that have adopted them should be rolling in clover. But given the common measures that are available to anyone who has an almanac, they are not.

Of course, this doesn't prove that the promoters of this view are wrong, but it does prove that they are not obviously right, and I would think that someone who supports this view would attempt to explain the discrepancy. No one has, and frankly, I doubt than anyone can.

Before I received the third comment from the PRI, I had already decided to download and read the full report, even though it was never my intention to get this deeply involved in this matter. Here is what I found.

The report is a poorly organized mishmash of extraneous material that has only a tenuous relationship to the content of the study, it is repetitious, and surprising in what it does not contain.

The first 28 pages are nugatory, consisting of a discussion of civil law. Although some readers might find this discussion interesting, it contributes nothing to the study. However, it reveals a kind of confused thinking that may very well characterize the entire study:

On page 7, I find this: "The function of torts is to provide the injured party with a remedy, not to punish the actor." When I first read it, I wondered where that was written in stone. The sentence is essentially repeated on page 16 where there is also this: "The common-law goal of tort law is to efficiently deter wrongdoers and fully compensate unjustly injured victims." So what is the function or goal of torts? These sentences are by no means equivalent, and one can certainly ask whether it is possible to deter wrongdoers without some punitive measures. Then there is also this: "The loss is calculated in court, and compensation awarded through economic and non-economic compensatory damages equal to the actual loss incurred by the individual. . . . Increasingly, however, civil law has moved beyond this goal to award punitive damages that are meant to punish, not compensate."

None of this makes any sense, since a society can define a tort in any way it chooses. No restraint of any kind, earthly or heavenly, limits a tort to being one thing or another. Certainly compensating injured parties has been a feature of tort law, but so has punishment in the form of punitive damages. Of course it's that punishment part that isn't very business friendly, and those who advocate business friendly policies would like to see it removed. As such the statement on page 7 amounts to nothing more than a goal that those who advocate business-friendly

policies would like to see established. Why it exists in a document purporting to be a study is difficult to discern.

Chapters 3 and 4 are relatively straight forward presentations of the methodology for and the rankings of the states, and if the goal of the study were merely to produce those rankings, these two chapters could have made up the entire report. But, of course, that's not the goal of the study, so there's a Chapter 5, and that's where the trouble starts.

In the comments I received from the reports principal author, Lawrence J. McQuillan, he emphasized the need to look at marginal effects, or rates of change. Yet to my chagrin, Chapter 5 contains no such marginal analysis. In fact, it contains no statistics at all. There is not even a clear formulation of a hypothesis. All there is is a summary of other studies that have been done elsewhere. So how can a reader know they haven't been cherry-picked?

At least some of these studies look highly questionable. The 2005 Rubin and Shepherd study that claims that tort reformed resulted in the saving of 14,222 lives seems highly suspicious; it could easily involve what's known as statistical confounding.

And then there is the stated finding: "The message is clear: tort reform increases productivity and employment, boosts state economic performance and innovation, increases national output and personal incomes, and saves lives (p. 76)." But the report summarizes the findings of ten studies: Four of these studies claim to show increases in labor productivity, in employment, in greater innovation in eleven manufacturing industries, in per-capita GDP. One more claims that 1.22% of GDP would be freed up if the U.S. tort system were on par with other industrialized countries, and still another that \$152 billion is/would be saved per year. There is also the Rubin and Shepherd study mentioned above.

But where is the study that shows that tort reform increases personal incomes? The only thing I can find is that "the Council of Economic Advisers reports that 76% of direct tort costs are excessive, which translates into \$198 billion or \$2,654 per year for a family of four." But what does that mean? Does it mean that if the 76% of direct tort costs were eliminated that each family of four in America would receive a \$2,654 increase in income? Hardly! There is no reason to believe that any family would receive even one cent of it. So the authors of this report claim something in their findings that has not an iota of support in any of the cited studies. My, my!

So what does this study amount to? Mr. McQuillan says that the numbers I provided in my post prove nothing. Well perhaps not, but proving something was never my intention. Yet so far as I can see, unless one grants the authors a great deal of unearned credence, this 90 page report not only proves nothing, it contains a bit of prevarication.

Mr. McQuillan attempts to confute my numbers by saying, "the BEA reports that from 1969 to 2004, the average annual rate of increase of per capita income in Texas (marginalism) has been 8.7 percent. . . . Per capita income in Texas has increased consistently and is now 93 percent of the national average. So Texas is actually about average, certainly not poor."

Well, I didn't look at 35 years of data to be sure, but look at this little bit of information, also culled from the BEA's web site:

In 1995, Texas, the state with the number 1 rank in the tort index, ranked 32nd in the list of states and had a PCPI of \$21,003, which was 91% of the national average. And in 2004, Texas ranked 30th in the list of states and had a PCPI of \$30,761, which was 93% of the national average. So in the ten years that the Texas legislature has been promoting business-friendly tort reform, Texas improved its position a mere two places in the ranking of states

and a mere 2% in relation to the average per-capita national income.

But look at Vermont, the state that ranks last in the tort index. In 1995, Vermont ranked 33rd in the list of states and had a PCPI of \$21,002, which was 91% of the national average. So in 1995, Texas and Vermont held virtually identical positions in terms of PCPI. But in 2004, Vermont ranked 23rd in the list of states and had a PCPI of \$31,780, which was 96% of the national average. So in the same ten years, Vermont improved its position ten places in the ranking of states and 5% in relation to the average per-capita national income. So although per-capita income in Texas has increased over the past ten years (marginalism), per-capita income in Vermont, that not so business-friendly state, increased even more.

Mr. McQuillan wrote that I was entitled to my own opinion but not my own facts, and he's right about that. But I don't make up facts; my facts come from the BEA just as Mr. McQuillan claims his do.

When I replied to the first comment I received from Mr. McQuillan, I'm sorry to admit that I did so testily, not something I usually do, but his insults angered me. Yet I said something in that reply that now looks truer than ever: "All of you stink tankers are the same (doesn't matter if you're politically right or left). Deny the obvious and hope that no one will notice is the only tactic you employ."

The states that rank high in these business-friendly indexes such as this tort index or the Tax Foundations State Business Tax Climate Index invariably are found at or near the bottom of any list of states by per-capita income. They are by no means the most prosperous American states. That is too obvious for anyone to deny. All one needs to do to prove it is look in any Almanac. So how anyone can claim to make a case for business-friendly

policies on the basis of economic well being is difficult to see. But if the authors of this report think they can, I suggest that they pack their bags, journey to Vermont, and on the basis of the outstanding results experienced by the state of Texas, convince the Vermont legislature to mend its wayward ways. Just perhaps, they can come up with some wizardry that shows how two percent is better than five.

## MORTGAGE ANYONE?

Have you ever wondered why the standard terms for mortgages are 15 and 30 years rather than 10 and 20 or 25 and 50? I have, but was never able to find a satisfactory answer. Then I discovered something interesting. Since this country was founded, downturns in the economy have occurred on an average of once every 14.5 years. This similarity may, of course, be sheer coincidence. But I'm suspicious.

Why?

Well, if you amortize a standard 30 year mortgage at six percent interest, you'll discover that the lender gets all of the money it has invested back in 13 years and 11 months.

Now look at what happens to a home buyer who takes out a mortgage just after an economic downturn, pays on it for 14 years, a downturn strikes, and then for whatever reason cannot sell his home and defaults. The lender gets the house and the buyer has lost all the money he/she has put into it.

But look at what happens to the lender. It has already gotten its initial investment back, so in reality it loses nothing. But now it has a house to sell. How much has the lender paid for this house? Nothing! So it sells the house to another buyer by providing another mortgage. Now if the initial buyer had continued to pay the loan to term, the lender would have earned about as much as the initial investment. But now everything the second buyer pays is pure profit, not just the computed interest. In reality, the total amount of the mortgage loan is earned interest on an investment of zero. Wouldn't you like to find a way of doing that?

Of course, such situations don't come about often. Although the average time between economic downturns is 14.5 years, downturns happen at varied intervals. And even in downturns, many people forced to sell their homes usually can. But it doesn't



take many who can't to make lenders a lot of money. Just five people forced into the situation described with \$100,000 loans would net a lender a hefty one million free dollars. If the loans are larger, the lender nets even more. And, of course, the numbers are different for different interest rates. But the principle is the same. Lenders almost always get their initial investments back in half a loan's term or less.

## MURKY ECONOMICS - COMPARATIVE ADVANTAGE & FREE TRADE THEORY

Economics is adrift in a sea of murky concepts, one of which is free trade. This murkiness arises from two practices common to economists – commission of what I call the fallacy of excessive generalization and imprecisely defined terms. Consider the principle of comparative advantage. The number of problems with this “principle” is legion, and numerous economists have attempted to amend and extend it. All the problems and emendations have been discussed extensively in economic literature. One writer, Steven M. Suranovic, has reduced comparative advantage to an almost useless hypothetical claim about merely possible results:

"The usual way of stating the Ricardian model results is to say that countries will specialize in their comparative advantage good and trade them to the other country such that everyone in both countries benefit. Stated this way it is easy to imagine how it would not hold true in the complex real world. A better way to state the results is as follows. The Ricardian model shows that if we want to maximize total output in the world then, first, fully employ all resources worldwide; second, allocate those resources within countries to each country's comparative advantage industries; and third, allow the countries to trade freely thereafter.

In this way we might raise the wellbeing of all individuals despite differences in relative productivities. In this description, we do not predict that a result will carry over to the complex real world. Instead we carry the logic of comparative advantage to the real world and ask how things would have to look to achieve a certain

result (maximum output and benefits). In the end, we should not say that the model of comparative advantage tells us anything about what will happen when two countries begin to trade; instead we should say that the theory tells us some things that can happen."

Yes, I know. Mr. Suranovic is just one economist, perhaps not even a good one. But that's the point. There is no precisely defined Principle of Comparative Advantage that all economists point to; it has been propounded, amended, extended, revised, and even adorned. Attempts to refute it can be likened to shooting at shadows. But the principle has two features that appear to be universal.

First, to determine that one country has a comparative advantage over another in the production of a specific product, a comparison of its costs of production in both nations is required. Look at what Ricardo writes:

"England may be so circumstanced, that to produce the cloth may require the labour of 100 men for one year; and if she attempted to make the wine, it might require the labour of 120 men for the same time. England would therefore find it her interest to import wine, and to purchase it by the exportation of cloth.

To produce the wine in Portugal, might require only the labour of 80 men for one year, and to produce the cloth in the same country, might require the labour of 90 men for the same time. It would therefore be advantageous for her to export wine in exchange for cloth." Notice that Ricardo has no idea of how much labor of how many men is required to produce anything

anywhere. Count the modal verbs. Three 'mights' and one 'may' which grammatically should have been another 'might.' The two paragraphs are couched in the subjunctive mood which, in English, implies unreality, doubt, and uncertainty. Now "how much labor of how many men" is, in principle, a simple calculation. It merely requires some counting. But even today, can anyone say with certainty how much labor of how many men is required to produce rice in any nation?

Perhaps all economists should express their principles in the subjunctive mood just as Ricardo does. Such subjunctive expressions would at least be honest, since they would imply that economists were uncertain of the validity of their models. But even Ricardo isn't consistent. When he writes, "England may be so circumstanced, that to produce the cloth may require the labour of 100 men for one year; and if she attempted to make the wine, it might require the labour of 120 men for the same time," he should have concluded that England might therefore find it her interest to import wine, rather than England would therefore find it her interest. But "might find it in her interest" is a weaker conclusion than "would find it in her interest." Could free trade be sold to people by claiming it might lower prices? Someone is sure to point out that the passage can be rewritten with conditional sentences that eliminate the modal verbs. True. Consider these:

"If producing cloth in England requires the labour of 100 men for one year, and if producing wine requires the labour of 120 men for the same time, it is in England's interest to import wine and to purchase it by exporting cloth. If producing wine in Portugal requires only the labour of 80 men for one year, and producing cloth requires the labour of 90 men for the same time, it is in

Portugal's interest to import cloth and to purchase it by exporting wine."

The advantage is derived from the increased production of cloth when the labor of the 120 men spent on producing wine is transferred to producing cloth. The argument implies nothing about how much the imported wine will cost. What lowers the price? Applying the law of supply and demand, which requires a number of assumptions. One is that Portugal reciprocates in this arrangement and devotes its cloth making resources to wine making, and another is that the demand for wine stays relatively constant. If Portugal chooses not to move its cloth-making resources to winemaking, the supply of wine doesn't increase. What if Portugal simply can't increase its production of wine? Wine, after all, is made from grapes which don't grow well everywhere. Then the added English demand for Portuguese wine increases the demand while the supply remains constant which raises prices.

Now put a third country into the mix. Suppose Sweden finds itself in exactly the same position as England. Sweden stops making wine to produce cloth. Now the demand for Portuguese wine is even greater. There is nothing in free trade theory that makes lower prices necessary or even certain. Subsequently, economists replaced "how much labor of how many men " by "opportunity costs." But opportunity costs are much more difficult to compute. Look at how the concept of opportunity cost is defined: the amount of one product that must be given up in order to produce one more unit of another product. But how many phone calls to an Indian call center must be given up for Indians to produce one more pound of hak? And how many pounds

of hak must be given up by Americans to get one more call to an American call center? Is the example facetious? I think not. How many American made automobiles must be given up to produce one more two-story home? Who knows? Does it matter where the automobiles and homes are built? Would opportunity cost be the same in California and Connecticut or Kerala and Bihar? Would the opportunity cost be the same if the workers producing automobiles were unionized and those producing houses were not or vice versa or both? Can opportunity costs be manipulated? Economists avoid these questions merely by making more assumptions.

Opportunity costs are assumed to be constant; they never change. No limits on production exist. Full employment exists in both countries at all times. All factors of production are mobile within countries but are immobile between them. Pricing mechanisms maintain perfect competition. Can we ask whether the cloth producers in Portugal are lazier than the wine producers? No. Labor is assumed to be equally productive everywhere.

All this assuming is very neat, but it's a sham. Has anyone ever seen an analysis of data that shows that the Chinese have a comparative advantage over the United States in the production of the plethora of products that Americans import from China? Why not? If the comparison of how much labor or how many men is required (or the opportunity costs) can't be carried out, the principle of comparative advantage has no applications and is entirely useless. But as useless as it is, economists venerate it. Consider this passage:

"[O]ne of the most difficult aspects of economic analysis is how to interpret the conclusions of models. Models are, by their nature, simplifications of the real world and thus all economic models contain unrealistic assumptions. Therefore, to dismiss the results of economic analysis on the basis of unrealistic assumptions means that one must dismiss all insights contained within the entire economics discipline. Surely, this is not practical or realistic. Economic models in general and the Ricardian model in particular do contain insights that most likely carry over to the more complex real world."

This passage, in its entirety, is a non-sequitur. Even if models are simplifications of the real world and contain unrealistic assumptions, it does not follow that one must dismiss all insights contained within them unless there are none. After developing the model, a competent model builder would then analyze it assumption by assumption, asking what happens if this assumption is false, what happens if that assumption is false, what happens if the first and second assumptions are false, and so on until s/he asks what happens when all of the assumptions are false.

Only then could one see which, if any, insights are revealed by the model. Why would rejecting all insights contained within the entire economics discipline not be practical or realistic if there are no valid insights? And to conclude that the Ricardian model contains insights that most likely carry over to the real world is pure unjustified opinion. How would anyone ever determine its likelihood? Building models on assumptions that may or may not be true is one thing. Such models may apply to the real world. But building models on assumptions that can

never be true is another. These models are never applicable to the real world.

Economists are a curious bunch. In cuisine, the proof is in the pudding. In economics, the proof is in the recipe regardless of how rank the pudding tastes. Paraphrasing Dani Rodrik, when economists are taken to task for ignoring real world complications, they argue that the presence of market imperfections does not change the model's logic. He's right, but they change the model's outcome, and that's what's really important. People don't care about theory, and a logical principle, named *modus tollens*, affirms that if the consequent of a conditional argument is false, the antecedent is false. So when economists apply a model and the predicted results don't ensue, the only logical conclusion is that the model's premises are surely false. Second, the principle of comparative advantage relies on a generalization so extensive its generalized term has no denotation. It is a term without meaning.

You see, only winos (alcoholics) drink wine! The rest of us drink Asti, Beaujolais, Bordeaux, Burgundy, Cabernet Sauvignon, Chablis, Champagne, Chardonnay, Chianti, Fynbos, Jerez, Kalecik Karası, Luján de Cuyo, Madeira, Merlot, Moselle, Pinot Gris, Port, Pouilly Fuisse, Riesling, Sake, Sangiovese, Sauternes, Sherry, Tempranillo, Valpolicella, Vinhos Verdes and scores of others. Why Ricardo chose wine is a mystery. Perhaps he was a wino and really didn't care about flavor, aroma, dryness, and body. Or perhaps he chose wine because the English were and still are not very good at making wine. Would the French be willing to give up Beaujolais for Port or the Japanese be willing to swap Sake for Vinhos Verdes? Someone will say it's just an example. But generalize on any product. Automobiles, tomatoes,



potatoes, chairs, whatever. The only products made worldwide that are identical are factory produced according to precisely defined specifications and sometimes even those vary.

These products can be made just as easily in Chad as in China. There is no reason to believe that people in Bongor are any less dexterous than people in Beijing. Statements like the following are often found in the literature:

"The magic of comparative advantage is that everyone has a comparative advantage at producing something. The upshot is quite extraordinary: Everyone stands to gain from trade. Even those who are disadvantaged at every task still have something valuable to offer. Those who have natural or learned absolute advantages can do even better for themselves by focusing on those skills and buying other goods and services from those who produce them at comparatively low cost."

Now, just ask, how could anyone know the first sentence's claim? Is it simply impossible that someone somewhere can't do anything at all? How can anyone justify a claim that such an impossibility exists? And how does everyone stand to gain from trade just because they can buy things at comparatively (compared to what) low cost? If just one person loses his income or his life because of trade policy, the statement about everyone is false. The sentence isn't even true if the word 'gain' is modified by 'financial.'

So if it cannot be shown with certainty that one nation has a comparative advantage over another in the produc-

tion of some product, then no one can be certain that any predicted benefits from basing trade on a comparative advantage will ensue. If free trade can't be based on comparative advantage, it must be based on some other kind of real, contrived, assumed, or imagined advantage, not comparative advantage. Free trade, when reduced to its simplest form, means nothing but trade not restricted by protectionist practices. But "protectionist practices" is another ill-defined, murky concept. Consider these scenarios:

Two countries, Us and Them, each produce a product named a domock. Us is a highly developed nation that has implemented many economic regulations to protect its people from injury, exploitation, and fraud. Them is an underdeveloped nation with no economic regulations. Manufacturers in Them can export domocks to Us and sell them for one curr each. Manufacturers in Us can sell domocks for two currs each. So what can Us do?

Leaving aside the possibility that Us might simply allow its manufacturers of domocks to go out of business, only three unique alternatives exist: Us can impose a tariff of one or more currs on each domock imported (a protectionist practice), can subsidize its domock-manufacturers so they can reduce the price to one curr (another protectionist practice), or eliminate the protective regulations that cause the price of domocks to be two currs. Free trade advocates do not consider this last alternative protectionist, and it is the alternative they advocate. But why is the third alternative not just as protectionist as the first two? All three are done for the same reason and produce the same result. How can anyone justify calling the first two protectionist and the third not? Only one answer to the question exists, and it is trivial.

Free trade is often defined as a trade policy that allows traders to act without having to deal with governmentally imposed regulations. Since the first two alternatives involve regulations and the third does not, the first two are protectionist and the third is not by definition alone.

But logically, a thing is what it is and not another thing. If some horticulturalists decide to define orchids as adornments and not flowers, would orchids no longer be flowers? A name does not make something what it is; its attributes do. Remember the adage, if it looks like a duck, squawks like a duck, and walks like a duck? But if all three alternatives are essentially the same, free trade theory collapses into utter nonsense.

In 1913, V. I. Lenin published an article in Pravda titled, Who Stands to Gain? Regardless of opinions of Lenin or Leninist-Marxism, this question is a useful analytical tool when evaluating policy proposals and was stated long before Lenin by the Romans (*cui prodest?*). Unfortunately, it is asked far too infrequently. If free trade policy were implemented worldwide and all protective regulations were eliminated, who would stand to gain? Merchants certainly. But what about the rest of us? Well, suppose Them allows its manufacturers to employ child labor. Us then eliminates it child-labor protections. Are the children better off just because they can now purchase domocks for one curr each?

Suppose Them allows its manufacturers to use dangerous materials. Us then eliminates its restrictions on the use of dangerous materials. Are people better off being injured and poisoned just because they can now buy domocks for one curr? Suppose Them allows its manufacturers to place workers in dangerous circumstances where many are maimed and killed. Us

then eliminates its regulations on unsafe workplaces. Are workers better off being injured and killed just because they can now buy doomsacks for one cent? Is anyone even financially better off? So who stands to gain? Just merchants?

To economists, incredibly, merchants are mostly Mr. Goodfellows. They don't lie to and cheat consumers. They don't overcharge. They never market products that don't work or that don't work as advertised. They don't market products that injure and sometimes kill and hide the fact that these possibilities were known before the products were marketed. They don't write contracts with hidden fees buried in text that can be read only with microscopes or that coerce people into repudiating their legal rights. They never defraud clients, each other, or governments by submitting claims for work never done on governmental projects or for governmental programs. They don't profiteer in wartime. They don't corrupt public officials. In fact, most are veritable saints, and the few that aren't, those rotten apples, are plucked from the barrel of commerce by the invisible hand, because the market is self-regulating. But in reality, unregulated business exhibits all the characteristics of a criminal enterprise.

As a logician, if I were asked to prove that the market is self-regulating, the only effective proof that I could think of would be to list all the untrustworthy firms whose dishonest actions were restrained by trustworthy firms and then show that, at best, no or just a few untrustworthy firms have avoided this restraint. But no economist has ever developed such a proof, which means that either the market isn't self-regulating or that there are so few trustworthy firms that they lack the power to restrain the untrustworthy.

However, this debate on free trade is merely a diversion. The process of globalizing trade that has now gone on for several decades has nothing to do with comparative advantage or free trade theory. No nation has abandoned any industries, transferred the resources to industries making products for export, and used the exports to pay for the importation of the products previously made by the abandoned industries.

The so-called "developed" nations, whose governments are controlled by commercial interests, have merely bought the idle labor and resources of "underdeveloped" nations for skimpy sums and paid for them with fiat currencies that amount to little more than promissory notes. It remains to be seen whether the nations holding these promissory notes will ever be able to redeem them for value equal to that expended on the labor and resources used to manufacture their exported products. If not, these nations will find that they have been swindled just as the residents of the United States, Great Britain, and other nations who have lost their homes and savings have. The only confirmed result of globalized trade is the greatest transfer of wealth from the least wealthy to the most wealthy in recorded history.

The real issue is independence or dependence. Free trade advocates are attempting to convince governments worldwide to relinquish their control over their economies. It is an attempt by merchants to control all markets. If it succeeds, national governments will be irrelevant.

The real question that nations must answer is whom do they want to give control of their economies to? The alternatives are national governments, which are at least in some cases and in some sense responsible to their citizens, or powerful

worldwide commercial interests who have to answer to no government and no people. Nations that were once colonies of Western imperialist countries should consider this question carefully. Although the yokes of past oppression may have been lifted, the interests that propelled imperial conquest were commercial and still exist, and the agendas have not changed. Only the methods of conquest have.

Trade between nations will not cease if free market theory is completely debunked. Everyone, as I have argued above, is a protectionist; everyone seeks to protect something – people their lives, merchants their profits, consumers their protections, laborers their jobs, nations their wealth and power. The question is not trade, but how and by whom it will be controlled. So I would suggest that the world's governments should beware economists bringing promises of prosperity based on utopian theories on behalf of merchants. Trojan horses do exist.

## NO, GLOBALIZATION DOES NOT LIFT ALL BOATS

Nancy Birdsall, the founding president of the Center for Global Development, has published an interesting, albeit somewhat confused, essay titled, "Why globalization doesn't lift all boats." Although she cites many factors which produce this result, two things in her essay caught my attention: the difference in income inequality in those Asian countries that seem to have benefited from globalization and those in Latin America which have not, and her generalizations about developed countries.

If I understand the difference she cites between the Asian and Latin American countries, it comes down to this. Although both sets of countries have vast numbers of poor, income inequality in the Asian countries is much less than in the Latin American countries where, in her words, "large landowners captured most of the benefits of agricultural growth. . . ." The implication of this is clear: Where income inequality between the rich and the poor is great, globalization fails to promote growth; whereas it does promote growth in countries where income inequality between rich and poor is small. What interests me is why this is so. It surely has something to do with the exploitive nature of free market Capitalism on the one hand, where, "Globalization is shorthand for global capitalism and the extension of global markets." and the influence the rich have over governments of all types.

It is, of course, a truism that, in developing countries, "public systems of all kinds tend to be less adequately funded and are often poorly managed. That means that public policy is less likely to correct for the inherent inability of markets alone to compensate for differences across households in endowments of all kinds." But in developing countries with a small gap in income inequality between the rich and poor, the rich cannot exert as

much influence on governments as they can in countries in which the income inequality gap is great. In Latin America, for instance, rich landowners can and have neutralized governmental efforts to change their economies in ways that would promote growth and benefit the poor; whereas, in Asia, the absence of vastly rich cannot. In Asia the rich have far less to lose from economic change than the rich in Latin America.

Foreign investment (globalization) takes two forms: One form, the revised imperial model, takes place when foreigners invest in a nation in order to take advantage of the impoverished labor force, having it create products to be exported back to the investing nation. This model does little to develop the economies of the producing nations, and sometimes even harms them. A number of years ago, American clothing manufacturers outsourced their manufacturing to Bangladesh, claiming that they were improving the lives of their employees by paying higher wages than those prevailing. The result, however, was that the people of Bangladesh were worse off, because the prices of rents and commodities rose along with the wages which negated the advantage of those working for American firms and made those not working for American firms less well off. The other form of foreign investment, which invests to provide products and services to the people in the nation being invested in, is rarely made; yet it alone is the kind of foreign investment that would improve the economies of underdeveloped countries.

Aside from the immoral implications of imperial globalization, another implication is the dependencies created. The prosperity of the developing nations is highly dependent upon the state of the developed nations which provide the markets for the products the developing nations are induced to make. If the developed nations economies fail, so do those of the dependent,



undeveloped nations, a consequence which may very well be looming on the horizon.

The other interesting thing about Ms Birdsall's essay is her failure to mention the consequences of her analysis on the American economy. She rightly points out that, "Income inequality in the United States is higher than in most countries of Western Europe. The perception of the United States as a highly mobile society compared to Western Europe is likely the result of its higher average income growth, which has lifted all boats." And it is well known that income inequality in the United States is becoming wider and wider. Furthermore, the wealthy in the United States have almost total control of what becomes governmental policy. Immigration reform is the current most prevalent example. In contrast to what a majority of the people want, the government seems intent on providing instead what the business community wants.

Ms Birdsall also points out that, "One key to East Asia's success seemed to be its low initial levels of inequality, which were associated with the legacy of postwar redistribution of farm land in the northern economies and with subsequent high public investments in education." Contrast that with the current situation in the United States, where the costs of higher education have increased well beyond the means of most working families.

It is easy, as Ms Birdsall does, to point out the things that need to be done if globalization is to lift all boats, but it is another thing to get them done, especially in those countries, such as the United States, where the rich are in control. The United States government's inability to provide even the basic social safety net that the liberal European democracies have provided for decades is not a hopeful sign.

So the only conclusion I can draw from Ms Birdsall's essay is that, if she is right, and I have no reason to believe that she isn't, the

United States will soon exhibit all of the characteristics of a third-world country. This conclusion is more important than any she draws, and in my opinion, she should have drawn it herself.

## NUMBERS THAT LIE

The BBC today displays the following post: "The US economy beat forecasts by adding 132,000 jobs last month, but the unemployment rate rose to 4.5%, according to Labor Department figures." These numbers can't possibly be true unless the ways of counting the employed and unemployed are faulty, and if they are faulty, then these numbers are meaningless.

So how is it that we can have people who are neither employed or unemployed getting jobs while employed people are losing theirs? Oh, they say, there were no people who were neither employed nor unemployed who got jobs. We merely decided to count more people as unemployed. Huh? People who were neither employed nor unemployed last month and were therefore not counted as unemployed are unemployed this month because somebody decided to count them now?

This is the kind of gibberish that only a brain dead economist could devise. What America needs is a true unemployment figuresomething like a count of all able bodied people over a certain age who don't have jobs. That figure would be objective and would be more useful than the current bogus numbers that we are fed every month. Then we would truly know whether employment is rising or falling, and the numbers would show a higher unemployment rate than today's bogus figures do.

## OFFSHORING-BOON OR BANE?

Neither I nor anyone else knows what the long-term consequences of offshoring will be. Predictions about the future are notoriously unreliable. Although it is true that past offshoring has been a boon, the past is an unreliable guide to the future. There are some things, however, that we do know.

In order for offshoring to be a boon, other economic activities must come along that make up for the reduction in employment that off-shoring produces; otherwise, the economy will ultimately collapse.

Our economy is consumer driven. The extent of this drive has been measured to be between 60 and 80 percent. In order to maintain this level of consumption, consumers must have adequate incomes. So if either the level of employment or wage-levels decrease, consumption will also decrease. Corporate profits depend in large measure on sales, and returns on investments in the market in some sense depend upon corporate profits. So a decline in consumption entails an overall decline in the economy as a whole. Furthermore, it is difficult to determine what kinds of new economic activity can arise to offset these conditions.

Offshoring manufacturing has already proven itself to be workable. Now services are being offshored.

There is no reason why all manufacturing can't be off-shored. In today's world of mechanized production, any product can be made anywhere. So we cannot expect new manufacturing activities to come along to make up for the reduction in employment, except, perhaps temporarily. Any that do will also be offshored the moment it becomes economical.

This leaves only services, unless someone can think of some form of economic activity that is neither a service or a product. And services do fall into two distinct categories those that can be

performed from a distance and those that can only be performed in place.

Look at some examples:

Any service that can be performed by means of a communication's medium can, just like manufacturing, be done anywhere, and those are the kinds of services that are currently being offshored software development (which is really a form of manufacturing), call centers, help desks, auditing, evaluating things that can be easily transported electronically, etc.

The services that can only be performed in place may be categorized as people services health care, home construction and repair, selling and sales clerking, teaching, transportation, vehicle repair, etc.

Upon inspection, something important about these two different kinds of services emerges. Those in the first group have generally paid employees higher wages than those in the second, because carrying out the services in the first group requires levels of education generally higher than carrying out those in the second group.

That is worrisome, for if wage levels fall, and the number of employed people doesn't expand enough to make up for that fall in wage levels, the economy shrinks. And as the economy goes, so goes the nation. If the level of education needed in order to find work falls, our college and university system falters. As it falters, our ability to engage in scientific discovery and technological advancements falters. The brain influx that we have imported from abroad over the past several decades will be reversed. We will see highly intelligent, educated Americans emigrating. In short, some other nation will displace us from our preeminent position in the world, and we will have helped it.

All Americans, but especially America's business leaders, need to think about this. Is this the future you envision for our nation?

## OFFSHORING-GOOD OR BAD

Offshoring, without a doubt, when used in moderation can be a benefit to the economies of both the mother and host countries, but offshoring per se is neither a boon nor a bane.

Offshoring is a type of foreign investment. But all foreign investment is not the same. One type can be defined as a company's investing in a foreign land to produce products and service to be sold in the foreign economy. An example of this is the building of automobile factories in the U.S. by Japanese firms that build cars for sale here in America. Such foreign investment can be a boon to both countries. The economy of the host country is grown by the wages paid for the production and the mother country's economy is grown by the profits returned from the sale of the cars. This kind of foreign investment also generates what is known as a multiplier effect that boosts the host country's economy too, because such factories bring into play maintenance, transportation, and retail firms, all of which also employ people and generate profits.

Another kind of foreign investment occurs, however, when the foreign company's investment is made to make products and services to be sold not in the host country but in the mother country. Most American business offshoring is made with this kind of foreign investment, and when carried to the extreme, is a benefit to neither the mother nor host country. It reduces labor in the mother country and only has minimal benefit to the host country, because although it provides jobs, it doesn't generate any multiplier effects. This is why the economies of the countries in Latin America which have been producing products for sale in

the American market for many decades have not been benefited greatly by the practice.

When carried to the extreme, which American business now seems to be doing, the effects are disastrous. By proliferating this kind of offshoring, the economies of many foreign nations are entirely dependent on the American economy. Since these foreign nations make products primarily for sale here, if the American economy tumbles and the products can't be sold, the economies of these foreign countries will tumble too, and a world-wide depression could result. That is the danger the world now faces.

Broadly speaking, this is the problem: foreigners produce what Americans consume and lend us the money to buy them. As Stephen Roach, the chief global economist at Morgan Stanley, put it: "We outsource everything except consumption." But consumption can not be maintained under these circumstances.

Of course, there is also a moral argument against such offshoring. Traditional colonialism pretty much came to an end after the Second World War. But the conditions described above for offshoring are almost identical to the practices of the British East India Company which colonized the Indian subcontinent. It is a system that exploits the poor, downtrodden, and underdeveloped.

So being both immoral and counterproductive when carried to extremes, it can also be viewed as traitorous. For it can destroy this nation more easily than al-Qaeda or foreign agents can.

## ONE NATION UNDER GOD AND IN GOD WE TRUST

My wife, today, passed me an e-chain-message about how this nation was founded on Christian principles, why the Ten Commandments should be displayed in governmental buildings, and why the Pledge of Allegiance should contain the phrase, "under God." The message begins with a description of how many places the Ten Commandments are displayed within our Supreme Court building, goes on to quote some historical figures such as Madison, Patrick Henry, and John Jay. In between, it mentions that fifty-two of the fifty-five founders of the Constitution were members of standard orthodox churches.

What can one make of all this?

It is, of course, a confused example of the fallacy known as non sequitur .

And the following observations are significant.

1. The words "Christianity" and "Christian" appear nowhere in the Constitution.
2. If the citation above is correct, three founders of the Constitution were not members of standard orthodox churches.
3. The Supreme Court building is laden with symbolic references to many things not Christian.

The Constitution is a political document which lays out how the government is to be constituted. The fact that both adherents and non-adherents of standard orthodox churches took part in its writing and ratification is significant. The question can certainly be asked, if so many of these founders were founding a Christian nation, why didn't they put that into the Constitution? Was it, perhaps, because they realized that there is a vast difference between what people believe and how a nation should be governed? I doubt that anyone could argue that these founding



Christians left the word Christianity out of the Constitution by accident.

Then there are the many references to the Ten Commandments displayed within the Supreme Court building. But there are references to these things too: The Three Fates, a Greco-Roman pagan figure; the four elements: air, earth, fire, and water, the thesis of the Greek philosopher Thales; Moses, Confucius, and Solon, a Jew, a Chinese, and a Greek pagan; the trial scene from the shield of Achilles, a Roman praetor publishing an edict; Julian and a pupil; Justinian publishing the Corpus Juris, all pagans; King John sealing the Magna Carta; The Chancellor publishing the first Statute of Westminster; Lord Coke barring King James from sitting as a Judge; and Chief Justice Marshall and Justice Story, no religious references there. Menes, Hammurabi, Moses, Solomon, Lycurgus, Solon, Draco, Confucius and Augustus, more pre-Christian era figures, and finally, Napoleon, John Marshall, William Blackstone, Hugo Grotius, Saint Louis, King John, Charlemagne, Justinian and Mohammed.

Say what, Mohammed? but not Jesus Christ. The namesake of Christianity didn't make any of these lists, but Mohammed did? How does that support the claim that this nation was founded on Christian principles?

If the truth shall set us free, those Christian fundamentalists will  
enslave us all.

## PITY THE POOR ECONOMISTS

Oh my, oh my! The economists have gotten it wrong again, and they're catching it. But they've always gotten it wrong. So what's different this time? Well, even journals committed to the orthodox economic viewpoint are asking questions.

In July, *The Economist* published two pieces (The other-worldly philosophers, What went wrong with economics) which posed penetrating questions but then became mealy mouthed about them. Subsequently, the magazine published a guest article by Robert Lucas, the John Dewey Distinguished Service Professor of Economics at the University of Chicago, that attempted to rebut the criticisms. This article was then followed by a group of responses posted in the Lucas Roundtable. Since then numerous pieces have appeared in various places, and Richard A. Posner, an attorney whose views are much respected in matters of public policy, posted a piece titled, *Will Economists Escape a Whipping?*, which brought howls from economists who resented criticism from someone outside the profession, which, of course, is a form of an ad hominem argument.

Readers of this seemingly ending thread of posts who expect to learn something new will be disconcertingly disappointed. The content consists of the same old banal, hackneyed, and trite claims and counter-claims that economists have been making for more than a century. But that doesn't mean that the thread doesn't yield a valid conclusion.

The first thing a judicious reader notices is how much disagreement exists among economists on almost every, perhaps every, matter. Then it becomes clear that much of this disagreement is acrimonious. Some of these people appear to hate each other. Now ask yourselves, how likely would it have been

that man would have stepped on the moon if as much disagreement had existed among physicists?

After noticing the extent of this disagreement, one begins to wonder just what these economists know. Apparently very little, if anything. For some time now, while reading posts on Economist's View, I have taken to counted verbs and their associated parts of speech, and I counted them in the Luca Roundtable. The results are enlightening. "Believe/belief" occurs 27 times. "Think/thought," used as "believe/belief" occurs 33 times. "View" in expressions such as "my view" occurs 15 times, and "opinion" in expressions such as "my opinion" occurs five times.

On the other hand, "know/known/knowledge" occur only ten times in the following contexts, none of which is substantive:

It is . . . possible . . . to know

It is not . . . possible to know

because of a lack of knowledge

even after it was known where the economy was headed

I don't know

when it is commonly known among all investors

each individual investor does not know

If Mr Lucas now says that Ben Bernanke and company know

I don't know

, you know,

What can be inferred from this is that economics, contrary to the claims of economists, is a mere creedology. So economists need to tell us why we ought to pay any more attention to their creeds than we do the creeds of Islam or Astrology. What credence can we have in these creeds in the face of the economic system's regular failures? Why is their creed any better than any other?

## PUBLICLY POSTING THE TEN COMMANDMENTS

This controversy which raises issues about the separation of church and state is really very difficult to make sense of.

First of all, the motives of those who advocate publicly posting the Commandments are not clear, because the Commandments contain two entirely different kinds of prohibitions. The first four are clearly religious; the last six are not. If the true motive of these advocates is the promotion of religion, then they must want all ten of the Commandments posted, which clearly raises a separation of church and state issue.

However, if their motive is merely the promotion of ethical values, it may be that no separation of church and state issue is involved. The last six Commandments are religiously neutral. Honoring one's father and mother and censuring killing, adultery, stealing, lying, and coveting contain no religious implications, and these six Commands can easily serve as a rudimentary ethical system. After all, they are not bad rules. If even Jews and Christians obeyed them, the world would be a much better place.

Unfortunately, that the first four Commands be dropped has never been suggested, and what's perhaps even more suspicious, Jews and Christians don't show a greater propensity to obeying these Commandments than non-believers and the adherents of other religions do.

So just what is publicly positing the Commandments supposed to accomplish, especially if they are not strictly obeyed by the proponents themselves? How will such postings make things better?

In addition, however, I am even more perplexed about why Christians would advocate such postings. The Ten

Commandments are Judaic, not Christian. Jesus makes that perfectly clear in Matthew 5.

"You have heard that it was said . . . You shall not kill"--an unambiguous reference to the sixth Commandment. And then Jesus goes on, "But I say to you that every one who is angry with his brother shall be liable to judgment; whoever insults his brother shall be liable to the council, and whoever says, 'You fool!' shall be liable to the hell of fire. "Jesus clearly considers the Commandment to be inadequate. Again, "You have heard that it was said, You shall not commit adultery."--an unambiguous reference to the seventh Commandment. And then Jesus goes on, "But I say to you that every one who looks at a woman lustfully has already committed adultery with her in his heart." Again he considers the Commandment to be inadequate. Still again, "Again you have heard that it was said . . . You shall not swear falsely. . . ."--an unambiguous reference to the ninth Commandment. But then Jesus goes on, "But I say to you, Do not swear at all. . . ." Again the Commandment is inadequate. Although Jesus does not consider the Commandments wrong, he clearly implies that they are insufficient.

So why would Christians want to see them posted everywhere? Wouldn't it be more reasonable for them to recommend the adoption of what Jesus clearly teaches?

"You have heard that it was said, You shall love your neighbor and hate your enemy. But I say to you, Love your enemies and pray for those who persecute you. . . . And, You shall love your neighbor as yourself."

Sadly, these commandments are entirely ignored.

Can anyone make sense of any of this?

## RELIGION AND MORALITY

In the latter months of 2005, the Journal of Religion & Society published a cross-national study comparing the moral behavior of societies to the extent of their religiosity. Data from eighteen developed nations were studied, and although its author did not claim that the results were definitive, the evidence strongly debunks the view that religious belief is a necessary condition for morality within a society. In fact, just the opposite seems to be true. Among the eighteen nations studied, "the United States is the only prosperous first world nation to retain rates of religiosity [which is] otherwise limited to the second and third worlds."

This study shows that, "In general, higher rates of belief in and worship of a creator correlate with higher rates of homicide, juvenile and early adult mortality, STD infection rates, teen pregnancy, and abortion in the prosperous democracies. . . . The United States is almost always the most dysfunctional of the developed democracies, sometimes spectacularly so. . . . The view of the U.S. as a shining city on the hill to the rest of the world is falsified when it comes to basic measures of societal health. . . . The non-religious, pro-evolution democracies contradict the dictum that a society cannot enjoy good conditions unless most citizens ardently believe in a moral creator. The widely held fear that a Godless citizenry must experience societal disaster is therefore refuted."

These results could have been, and perhaps were, anticipated. Religiosity involves a mindset that goes far beyond a mere belief in God. Some characteristics of that mindset are a belief that absolute truth is already known, having been revealed in divinely inspired scripture, and that all that happens happens in accordance with God's plan. So investigations done in accordance with the principles of problem solving developed by scientists,

philosophers, and mathematicians are irrelevant and any evidence so gathered can be ignored. Prayer for God's help trumps humanistic attempts to make the world better. Whereas non-religious, secular, societies, lacking a belief that the absolute truth is already known, can only rely on investigation and the evidence it produces and apply the knowledge discovered in attempts to solve their social problems.

Of course, these findings also refute the view that the behavior of people can be altered by a fear of punishment. If the threat of eternal damnation doesn't motivate people to act morally, how can one expect threats of legal punishment do so? But if the threat of punishment cannot be relied upon to constrain immorality, then our entire legal system is founded on a false belief. A plethora of studies can be cited that also support this conclusion; yet people persist in believing that punishment is the answer to immoral and criminal behavior. In a rationally oriented society, the results of policies and programs are evaluated in light of the evidence and abandoned when they do not work; in a religiously oriented society, they are not. And so Americans persist in supporting failed policies, squandering resources without achieving any benefit whatsoever.

Until I read this study, I believed that even though religiosity was not an efficient motivator of human behavior, its existence was relatively benign, especially since it apparently helped so many people get through malicious and calamitous events in their lives. That belief now seems to have been misguided, for if religiosity promotes malicious behavior, it is itself malicious. So perhaps the current spate of books attacking religion and promoting atheism are more than a mere manifestation of a reaction to the influence of fundamental Christianity on the American politic. Perhaps the debunking of religion is the only hope of reforming America and stemming its decline.

## RELIGION AND THE AMERICAN RELIGIOUS RIGHT

Americans, including the commercial press, have adopted the practice of judging things by what is said rather than by what is done. Now the Economist (Lexington | Purgatory without end, May 28, 2005) seems to have adopted that practice too. Two claims in this piece are naive at best.

"Look at the issues that have dominated. . . . Religion is at the heart of each one. And America is simultaneously a highly religious culture and a highly secular one."

True, the American religious right has made a lot of noise over a relatively small number of issues that it also claims are religiously motivated. But substantial evidence debunks that claim.

Take the din raised over posting the Ten Commandments in public places. If this din were truly based on religion, one should be able to produce evidence that those making the noise themselves obey the Commandments. But one would be hard pressed to come up with any. Those on the religious right are no more scrupulous about obeying the Commandments than the non-religious are.

Furthermore, adultery is forbidden by the Seventh Commandment, but the religious right raised hardly a whisper as the various states decriminalized it over several decades, and coveting, which is forbidden by the Tenth Commandment, seems to be the basis of the entire American economy.

Abortion and its offshoot, stem cell research, are also loudly condemned, but since only ten percent of Americans admit to having no religion, it is very likely that if every woman who has had an abortion since Roe vs. Wade were polled, the vast majority of them would claim to be Christians, and studies have shown that divorce is more prevalent among Christian fundamentalists than among the general population.



The American religious right loves to talk religious talk without ever walking the walk. Its religion is worn on its sleeves; unfortunately it never penetrates the skin and goes to the heart.

But interestingly enough, these so called moral issues all have something in common that the august editors of the Economist seem to have missed. Look at them! Abortion, same-sex unions, adultery, explicit movies and television, even book-banning all are issues concerning sex, and the American right has always had an extreme preoccupation with it.

Compare the howl the religious right raised over President Clinton's sexual peccadilloes to the silence over President Bush's prevarications, even though bearing false witness is prohibited by a Commandment while accepting an offer of fellatio from a pretty young woman is not.

Religion in America is based on the sinful preacher's aphorism, Do as I say, not as I do. Religion comes cheap when its only attribute is talk.

## ROBBER BARON OF THE TWENTY-FIRST CENTURY

Wikipedia defines Robber Baron as a term revived in the 19th century in the United States as a pejorative reference to businessmen and bankers who dominated their respective industries and amassed huge personal fortunes as a direct result of pursuing various allegedly anti-competitive or unfair business practices. The term may now be used in relation to any businessman or banker who is perceived to have used questionable business practices in order to become powerful or wealthy. Among the most famous American Robber Barons are John Jacob Astor (real estate, fur New York City), Andrew Carnegie (railroads, steel Pittsburgh, Pennsylvania), Jay Cooke (finance Philadelphia, Pennsylvania), Daniel Drew (finance New York state), James Buchanan Duke (tobacco near Durham, North Carolina), James Fisk (finance New York state), Henry Flagler (railroads, oil, the Standard Oil company New York City and Palm Beach, Florida), Henry Ford (automobile Dearborn, Michigan and metropolitan Detroit, Michigan), Henry Clay Frick (steel Pittsburgh, Pennsylvania and New York City), John Warne Gates (steel, oil Chicago and Texas), Jay Gould (finance, railroads New York (both state and city), Edward Henry Harriman (railroads New York state), Collis P. Huntington (railroads California, Virginia, and New York), Mark Hopkins (railroads - California), Charles Crocker (railroads - California), James J. Hill (railroads St. Paul, Minnesota), J. P. Morgan (banking New York City. Presently JPMorgan Chase & Co. ), John D. Rockefeller (oil, the Standard Oil company Cleveland, Ohio and New York City), Leland Stanford (railroads Sacramento, California and San Francisco, California), and Cornelius Vanderbilt (railroads, shipping New York City)

William Henry Gates III was born in Seattle, Washington to William H. Gates, Jr., a prominent lawyer, and Mary Maxwell Gates who served on the board of directors for First Interstate Bank and the United Way and whose father, J. W. Maxwell, was a national bank president. His wealthy family obviously inculcated robber baron values into Bill, for by hook and crook, he has become the quintessential robber baron of all time.

When he was in the eighth grade in the Lakeside School, Seattle's most exclusive preparatory school, he and other students were banned for the summer after they were caught using an ASR-33 teletype terminal attached to a General Electric computer exploiting bugs in the operating system to obtain free computer time.

After reading an issue of Popular Electronics that described the Altair 8800, Gates contacted the creators of the new microcomputer to inform them that he and others were working on a BASIC interpreter for the platform when, in fact, they had not written a single line of code for it. But, over a few weeks, they developed an Altair emulator that ran on a minicomputer and a BASIC interpreter, which became popular with computer hobbyists. When Gates discovered that a pre-market copy had leaked into the community and was being widely copied and distributed he wrote an Open Letter to Hobbyists in the MITS newsletter saying that MITS could not continue to produce, distribute, and maintain high-quality software without payment. This letter was unpopular with many computer hobbyists, but Gates persisted in his belief that software developers should be able to demand payment, even though he was one of the students banned for stealing free computer time from General Electric and after telling a bald-faced lie to the people at Altair.

In 1980, IBM approached Microsoft to make the BASIC interpreter for its upcoming personal computer, the IBM PC. When IBM's

representatives mentioned that they needed an operating system, Gates referred them to Digital Research (DRI). When IBM did not reach a licensing agreement with DRI, Gates, who knew of 86-DOS (QDOS), an operating system similar to CP/M that Seattle Computer Products had made for hardware similar to the PC, bought the rights to it for \$50,000, keeping the IBM deal a secret (nice guy, huh?).

Many of Microsoft's business practices have led to antitrust litigation. In the 1998 United States v. Microsoft case, Gates gave deposition testimony that was evasive. Early rounds of his deposition show him saying 'I don't recall' so many times that even the presiding judge chuckled. Worse, many of the technology chief's denials and pleas of ignorance were directly refuted by prosecutors with snippets of e-mail Gates both sent and received.

So here you have him, Bill Gates, the guy who goes after people who pirate Microsoft software, a guy who as a ridiculously rich teenager stole computer time, who has lied to the makers of the Altair 8800, who was less than completely honest with Seattle Computer Products, and who told bald-faced lies in Federal Court.

What a nice guy! Don't we want everyone to be just like him? A robber baron of the first order whose life demonstrates conclusively that in America, immorality, if not actual crime, pays; it pays very well. And that's just one of the reasons people the world over hate us.

## SAVING THAT ISN'T

You have all seen the ads. Buy this and save 20 percent. Buy that and save 40 percent. The more you buy the more you save.

Marketers either must have flunked grammar school English or are abettors of thieves.

The word save means "to accumulate money." The word spend means "to pay out or expend money." These words are antonyms. The logical word is contradictories . No one saves anything by spending!

Suze Orman gives consumers a lot of good advice, but not about investing. She claims that investing in the market is a good way of saving for retirement. But it isn't; it isn't even saving.

When one invests in the market, s/he is buying shares of stock, and buying a stock certificate is just like buying anything else. What is paid for those certificates is money spent. Shares are what a buyer owns, and shares are not money.

Financial advisors like Suze make the claim that share prices increase, on average, over time. There are two things wrong with this claim. First, it is not true that share prices, on average, increase over all periods of time.

For instance, if one takes the time period from Oct. 9, 2007 to March 4, 2009, share prices, on average, have fallen 51.5%. Of course, one can select time periods over which share prices, on average, have risen, but the selection of time periods is completely arbitrary. Select one time period and one can claim that share prices rise on average; select another time period and one can claim that share prices fall on average. So the claim is nonsensical.

Second, averages are phantom numbers. No one ever earns an average return. A few people may earn a return that equals the average return, but not most people. Averages are calculated

from a list of terms, and except for the single case in which the average equals the median, the number of terms below the average is always greater than the number of terms that exceed the average. So deluding investors by implying that by investing they can expect a return equal to the average is nothing but a bald faced lie. So even if a person's returns from selling his/her investments is greater than what he/she purchased them for, and that calculation is difficult to make since shares are bought at different times and are then subject to different inflation rates, chances are that the return will be far less than the phantom average which is also difficult to calculate for the same reasons as those stated above.

Owning a share of stock is just like owning a piece of furniture, and just as a piece of furniture is not money, neither is a share of stock. What the future value of a share of stock is can never be known. Just like a piece of furniture, its value cannot be determined until one tries to sell it. And as anyone who has tried to sell used furniture has learned, its value may be zero.

Investing in the market is no more saving than buying soup is.

## SCIENCE, IDEOLOGY, AND ECONOMICS

Alan Greenspan's *The Age of Turbulence* contains a chapter titled *The Modes of Capitalism* which is full of revelations which Mr. Greenspan unfortunately fails to recognize. The chapter describes the various forms Capitalism has taken in a number of countries, mostly North American and European. Of course, that such various forms of Capitalism have been implemented in different countries is not news. But what Mr. Greenspan fails to notice is that similar chapters could not be written about physics, chemistry, geology, meteorology, astronomy, physiology, botany, astronomy, etc. but could easily be written about Christianity, Islam, Hinduism, Buddhism, and even astrology. The point is, science does not have sects, but ideologies do. Of course, economists shun the word sect, preferring instead the euphemism school in an attempt to gloss over the non-scientific nature of economics. Mr. Greenspan's modes of Capitalism are nothing more than sects, and no endeavor that is comprised of sects is a science.

Mr. Greenspan's attempts to explain the existence of these sects begins to reveal just how unscientific economists can be. He writes, "To me, the degree of willingness to take risks is in the end, the major defining characteristic that separates countries into the various modes of capitalism." Mr. Greenspan ranks the United States as "the most 'free' of the larger economies" and believes, apparently, that therefore, Americans are less risk averse than people elsewhere. But there is not a lick, jot, fleck, or speck of evidence to support this belief. So although it may be true that the United States is the most free of the larger economies, other reasons for which there is considerable evidence can be cited as more likely explanations. The most obvious of these is differences in educational systems. It may be, for instance, that Americans

support this freer economic system because they are poorly educated and, therefore, more gullible than people in countries that have better educational systems.

There is no question that the American educational system is inferior to the educational systems in many other countries. The well-publicized country-by-country comparisons that invariably show that American students are less competent in many areas of study need not be repeated. But there are far more telling examples of American educational inferiority. When graduates of some of America's most prestigious universities, such as the current crop of presidential candidates, can openly reject evolution and when various branches of the national government routinely rewrite scientific studies to make them conform to the administration's political ideology, the failure of the American educational system becomes evident. In America, ideology trumps truth.

An explanation of the failure of even America's universities to educate their graduates is not hard to find. That America has had a long-standing anti-intellectual culture has been well documented. See Richard Hofstadter's *Anti-Intellectualism in American Life*, for instance. The American educational system is fractured. Local control of primary and secondary schools, often controlled by school-boards made up of poorly educated people who seek to promote personal agendas, is a tradition dating back to the nation's founding. The makeup of state school boards is not different, and there are fifty of these. No common standards exist and even state-by-state comparisons are difficult to make. Then, too, American universities were not generally founded to educate people. They were founded to train people for professions; in effect, they were founded as vocational training rather than educational institutions. After the Civil War, the creation of the land-grant university system was explicitly designed for



vocational training. As a result, students are taught how to carry out techniques, but rarely taught to critically examine the theories from which those techniques are derived. This description characterizes what goes on in most of the professional schools and colleges attached to our universities. It especially characterizes our graduate departments of economics. One small but revealing example provides anecdotal evidence that supports this view and the view that America's universities promote ideology over truth is this: Gilles Raveaud, I believe, commenting on Greg Mankiw's teaching at Harvard has written, "Some of the students I had at Harvard have described Mankiw's course to me during private conversations as 'massive conservative propaganda.' One of them told me that he thought that Mankiw manages to 'indoctrinate a whole generation.' In 2003, a protest against a similar course then proposed by professor Marty Feldstein, an ex-adviser to President Reagan, led to the creation of an alternative intro economics course, taught by radical economist Steve Marglin. But while Mankiw's course gives the required credits to students, Marglin's does not." Just as there is no honor among thieves, there is apparently no honor in universities that get huge donations from America's capitalists who have gotten their fortunes by picking the pockets of consumers and employees and who would be loathe to see their ability to continue to pick those pockets restricted by some idealistic idea of truth.

Mr. Greenspan ignores completely one salient difference between American and Continental educational systems. In the American educational system, analytical thinking prevails. Everything is considered in isolation from everything else. Economic phenomena are examined as though they had no consequences to society in general. In Europe, however, phenomena are considered together as a gestalt. The consequences of changes in

one social environment are related to the effects those changes have in other social environments. Whereas American economists think almost exclusively in terms of economic growth, Europeans think in terms of society as a whole. American economists can always find ways of excusing the adverse human consequences of an economic process; the Europeans emphasize the adverse consequences to society as being more important than the economic process. This distinction has been evident in economic circles since the formation of the so-called historical school, and Mr. Greenspan should have recognized it.

But Mr. Greenspan reveals something else about economics that is rarely called attention to--the delusions economists labor under in relation to the real-world economy. When Mr. Greenspan makes risk-taking the characteristic of the American economy, he is delusional. Certainly America has its share of risk-takers. Whether it has more or fewer risk-takers than other nations is questionable. But risk-taking does not characterize the American or any other economy. Economic risk-taking may be thought of as a characteristic of entrepreneurs. But entrepreneurs alone cannot make an economy; if everyone was an entrepreneur, no workers would exist to carry out entrepreneurial ventures. Kurt Wicksell in his *Lectures on Political Economy* nicely defines the entrepreneurial process: "He who borrows money at interest does not as a rule intend to keep it, but to exchange it at the first suitable opportunity for goods and services, by the productive use of which he hopes to be able to acquire not merely the equivalent of their price but a surplus value. . . ." Although that may be true of entrepreneurs, it is not why most people in today's real economy borrow money. When people borrow to buy homes, automobiles, appliances, etc., they do not intend to use their purchases in ways that will create surplus value. In fact, these people are not investing at all. The money they borrow is a sunk

cost for a place to live, a means of transportation, and other such uses. And although Americans have become a nation of borrowers, they have not become entrepreneurial risk-takers. Any economist who thinks of the economy in terms of entrepreneurial risk-taking is engaged in self delusion.

Mr. Greenspan is also delusional when he writes about creative destruction. Certainly, creative destruction does happen, but not nearly as often as Mr. Greenspan and other economists seem to think. As examples of creative destruction, Mr. Greenspan mentions the telegraph industry's demise because of the introduction of the telephone, the tin can's demise when the aluminum can became feasible, which he relates to the demise of the steel industry. Certainly some workers were displaced when the telephone industry replaced the telegraph industry and then the aluminum industry reduced the steel industry. And certainly such displacements cannot be avoided and no attempt should be made to avoid them. But that is not what is happening in America today. When Fisher-Price offshored the manufacturing of toys to China, it was not because the Chinese had developed new toy-making technology. In fact, those Chinese employ older technologies than those what would have been used in America to manufacture the same toys. When computer related industries offshore their helpdesks, it is not because new helpdesk technologies have been developed in the offshored countries. The technology used in offshore places is exactly the same technology that is being used in America or Europe or anywhere else. So although there is a phenomenon known as creative destruction, what is happening in America today is mere destruction. The other half of Mr. Shumpeters thesis is entirely absent, and for Mr. Greenspan to think otherwise is delusional.

Again, Mr. Greenspan writes, for instance, that "in a free society . . . the vast majority of transactions must be voluntary, which, of

necessity, presupposes trust in the word of those with whom we do business. . . ." And "It is remarkable how much trust we have in the pharmacist who fills the prescription ordered by our physician." But this is sheer delusion. People don't trust the businesses they buy from. In the case of the pharmacist, people buy from him because there is no alternative. And does anyone trust the pharmaceutical firms that market the medicines we are prescribed? If they do, they must be wholly ignorant of the revelations that such firms hide from regulators, physicians, and consumers data of adverse effects and even life-threatening dangers. Do I exhibit trust in Microsoft when I purchase one of its operating systems or applications, knowing full well that what I am getting are poorly coded programs containing innumerable bugs and security lapses that Microsoft will attempt to patch by incessant releases of what it euphemistically calls Service Packs? Trust is something that does not exist in business; that is why contracts exist, and why firms such as Microsoft exempt themselves from all liability for damages within their contracts. If Mr. Greenspan trusts the firms he does business with, he is delusional.

But the unavoidable problem with Classical/Neoclassical economics, which Mr. Greenspan glosses, is its immorality. He writes that, "Clearly, not all activities undertaken in markets are civil. Many, though legal, are decidedly unsavory." But he also writes, "When I was a child, jokes about the scruples of used-car salesmen were widespread, but in truth a flagrantly (*italics mine*) unscrupulous used-car salesman is one who will be out of business before long." Mr. Greenspan fails to recognize that this statement is entirely meaningless. It does not say that businessmen are not unscrupulous; it does not say that competition puts unscrupulous businessmen out of business; it

does not say just how unscrupulous a businessman must be to be flagrantly unscrupulous.

Everyone knows that businessmen routinely break even the most fundamental moral maxims, and any economist who denies this must explain the neologising and persistent existence of such phrases as *Caveat Emptor*, a pig in a poke, and letting the cat out of the bag. In an honest economy, these expressions would have no use. As a matter of fact, there is absolutely no reason to believe that people in business are any more honest than the population in general, and there is good reason to believe that business in a free-market promotes crime and vice, both of which are epidemic in the United States. It is no mere coincidence that when the Soviet Union collapsed and when Israel was persuaded by the Reagan administration to abandon its socialist traditions and free-market practices were introduced, both crime and vice emerged as important social problems.

In fact, free-market economics institutionalizes immorality, which is proven by the mere fact that puffery is an acceptable practice. Businesses that employ puffery to market products will, without batting an eyelash, discharge an employee who is found to have puffed up his resume. I'm not talking about sophisticated moral philosophies such as Kants Categorical Imperative, but those simple maxims embodied in the Decalogue and the Golden Rule. These immoral practices of business are widespread and far-reaching and they contradict many of the favorite clichs of economists.

Mr. Greenspan claims, that free markets increase material well-being to a greater extent than regulated markets. But tell me, how does the marketing of bottled water, which is never tested and whose source is rarely identified, increase the well-being of the people who are snookered into buying it, especially when ordinary tapwater is regularly tested, comes from a well-known

source, and is considerably cheaper? In fact, doesn't it reduce that well-being, since the money wasted on it could have purchased something that provided a real material benefit? The same questions can be asked about numerous other products--the McDonalds hamburger, Taco Buenos tacos, pizza from numerous pizza vendors--the list is endless. But there's more. The Fox affiliate in Dallas regularly runs a feature called Deal or Dud. The channel buys products heavily advertised on television and has them tested by ordinary viewers. If a product works as advertised, it's called a Deal, if not, it's called a Dud. Every so often the channel comes up with Deals, but most products tested are Duds. As a matter of fact, Mr. Greenspan's book is itself a dud. It was not published because of the merit of its content; it was published merely because of the notoriety of its author. Mr. Greenspan's name on the title page can be likened to other forms of puffery. So how does manufacturing and marketing products that don't work increase the material well-being of consumers? And consider the snake-oils people are sold that are classified as dietary supplements? The manufacturers of these products could easily have them double-blind tested to determine their effectiveness. But they don't. Is it because they know that if they did, the products couldn't be sold?

Mr. Greenspan and other economists claim that the free market results in the most efficient allocation of capital. But how can anyone claim that the capital expended on the products mentioned in the previous paragraph is efficiently allocated? In fact, one could easily claim that it is completely wasted, as is the capital lost during economic downturns. So anyone who believes that American business is generally honest is as deluded as the insane person who believes he's Napoleon.

Not only is free-market economics immoral, there is some evidence that it could not exist if the immorality were removed.

In an impressive new book, *The Social Conscience*, Michel Glautier asks whether a caring society can exist in a market economy? His analysis suggests that recent and continuing changes to the market economy are putting the achievement of a caring society beyond reach. And the following passage comes from an abstract of a paper by Andrei Shleifer: "Explanations of unethical behavior often neglect the role of competition, as opposed to greed, in assuring its spread. Child labor, corruption, "excessive" executive pay, corporate earnings manipulation, and commercial activities by universities all promote censured conduct. When unethical behavior cuts costs, competition drives down prices and entrepreneurs' incomes, and thereby reduces their willingness to pay for ethical conduct." Unfortunately, both authors are ambivalent when it comes to drawing hard conclusions.

In a rational society, a distinction would be made between scientific enterprises, always keeping in mind that all science is a work in progress, and enterprises grounded in mere belief. The political system would defer to scientists in matters involving the former and allow the people to decide the kind of society they would prefer in matters involving the latter. So the choice of an economic system ultimately comes down to what kind of society people not only want for themselves but for their progeny in future generation. Do we really want an economic system that institutionalizes prevarication and encourages greed, crime, and vice? Those who answer this question affirmatively should, perhaps, have 666 tattooed on their foreheads.

In the second chapter of *The Age of Turbulence*, Mr. Greenspan writes that he discovered that "some of the scientists in the Manhattan Project subscribed to a philosophy called logical positivism. . . . The mathematician in me embraced this stark analytical credo. . . . The world became a better place, I thought, if

people focused exclusively on what was knowable. . . ." Unfortunately somewhere along the way, Mr. Greenspan lost this focus and became an apologist for the free-market system when he "decided to engage in efforts to advance free-market capitalism." We are all now faced with the consequences of his decision.

Wise men know the importance of periodically asking themselves, What if what I believe to be true is wrong? It is time that our economists start asking themselves this question.



## SEVEN DEADLY SINS CONFRONTING THE CONSUMER

Merrill Lynch's David Rosenberg has described seven threats to the economy, and most reports on these make them seem to be the fault of consumers; yet that really can't be true. Let's look at these threats:

Consumers hold \$2.3 trillion in short term debt, and rising interest rates as a result of the Federal Reserves actions makes servicing this debt more expensive.

2. The cost of energy is consuming more than twenty percent of after tax income, the highest level in twenty-five years.

3. Credit regulators have doubled minimum credit card payments.

4. Household savings are almost nonexistent and are savings growth is sure to slow.

5. Consumer sentiment has sunk along with buying intentions.

6. Household debt is now a record percentage of disposable income.

7. The record imbalance in foreign trade, especially with China, will exert protectionist pressures on Congress.

So how can consumers be responsible for these threats?

Banks have been allowed to mass market easy credit which encourages indebtedness and reduces savings and has induced

consumers to borrow by offering low minimum payment plans. At the same time, the government failed to force these banks to display the true cost of such borrowing and the almost impossible ability to pay off such debt using minimum payments. This item alone accounts for items 1, 3, 4, 5, and 6.

The manufacturing and service industries have off-shored their businesses and eliminated or reduced their domestic operations, the result of which is that Americans make little of what they buy and have little to export that others want to buy. This item accounts for item 7.

And, finally, at least some of the high cost of energy can be attributed to a misguided foreign policy, the design practices of the auto industry which refuses to design and market low mileage vehicles, and the greed of the oil industry.

No consumer could have done anything to protect himself from the last two of these, and given the intensity and duplicity of the marketing of easy credit, most consumers could not have done much about the first either.

So when the government or the press makes it seem that these seven threats are the result of misguided practices on the part of consumers, the blame is being put on entirely the wrong people. If the American economy is in jeopardy, it is because of misguided governmental and business practices and policies, and the consumer can do little about either.

And the irony of this is that although the consumer will suffer greatly, so will American business and America as a whole, for neither business nor the nation can prosper if consumption

falters. Have we become lemmings rushing to the sea? Have we, just like all great nations in the past, destroyed ourselves from within? Only time will tell, but it certainly looks like it.

## **SPECIE, SCRIPT, AND WAR: THE CONTRADICTIONARY PRACTICES OF THE GLOBAL ECONOMIC SYSTEM**

*“Wars are never fought for altruistic reasons. They’re usually fought for . . . business. And then, of course, there’s the business of war.”*  
– Arundhati Roy

Ms Roy’s view is widely held, and it’s certainly true – as far as it goes. But the view has a logic to it that, to my knowledge, no one has ever elucidated.

People assume that the economy is a system. But it isn’t. How the world-wide economy works has developed mostly by happenstance over millennia. It embodies contradictory practices and produces horrific consequences.

Primitive peoples extracted from nature what they needed or fashioned it into things they could use. When they produced more than they needed, they bartered the excess for what they could not produce themselves. It’s called trading. Commodities are traded for commodities, and over time some commodities became media of exchange, the most prevalent of which are precious metals that are converted into specie (coin). But this system works only when the commodities traded have equal value. When they don’t, trade becomes a form of theft, which leads to unfairness and conflict.

Trade implies that all nations can be neither net exporters nor net importers. Net exporters amass huge amounts of specie while net importers relinquish theirs. Net exporters become rich while net importers are bankrupted. To keep this system working, colonial

wars were fought, peoples were subjugated, and their lands were plundered. Theft became a global practice.

The colonial wars fought after the discovery of the Americas by Europeans were fought for this reason. England, France, Spain, Portugal, and Holland, not themselves rich in mineral resources, all not only fought wars of conquest but fought each other to gain control of what precious metals could be extracted from the so called New World. Trade required access to these metals. No inhumane act was beyond use. Genocide, enslavement, piracy, cruelties of all kinds were commonly practiced. These practices continue today. These wars were necessitated by the need for specie which the trading economy requires.

But specie is a limited resource. Not only is it not distributed throughout the world uniformly, it is finite. It is also inconvenient for many transactions, so scrip (paper money), originally valued in units of specie, became common. But the holders of specie, bankers, quickly realized that they could issue more scrip than could be redeemed by the specie they held, since all depositors would not want their specie back at the same time. The practice is called fractional reserve banking and is a Ponzi scheme, a banking fraud. The specie of new depositors is used to redeem the scrip issued to past depositors. Ultimately, when more scrip was issued than could be redeemed by the available specie, the link between scrip and specie—the standard—was abandoned. Since then scrip functions as a medium of exchange only because people believe it can be traded for commodities. The entire world-wide economy functions merely on faith. But the world is too complex, too dangerous, to rely on an economy based on faith.

Over time, some nations became highly developed, net exporting manufacturing powers. Others stagnated as net importers. Then something unanticipated happened. Because it was viewed as cheaper to manufacture products abroad and import them than manufacture them domestically, manufacturing in developed countries declined as did the incomes of their peoples. The developed nations began, for various reasons, to import more and more and export less and less. Without commodities to trade, they trade scrip. But as the so-called developed nations manufacture less and less, less and less is available for the holders of scrip to buy. The scrip eventually becomes worthless, and the entire system collapses.

As natural resources become scarce domestically, the economic infrastructure created in earlier times still requires them. As domestic oil production shrinks, for instance, the need for imported oil increases. But no products are being manufactured domestically to barter for the oil. Without commodities or a credible scrip, trade cannot be relied upon to provide the required commodities.

How can such nations acquire the resources needed? There is but one answer—conquest for plunder! Human life becomes the medium of exchange. The world has been turned topsy-turvy. Rather than an economy that functions to fulfill the needs of people as it originally did, people are sacrificed to fulfill the needs of the economy, and the economy exists for no purpose whatsoever. It just is. The current attempt by the European Union and the IMF to resolve the sovereign debt crisis by sacrificing the well being of people to preserve the European economy demonstrates this topsy-turviness. The European Union, which is

nothing but a trading association, has made the economy more important than the welfare of its people.

Yet conquest is only a temporary solution. The conquests carried out by Western nations in the sixteenth century for precious metals have now been undone. These nations are, like the United States, virtually bankrupt. And conquest itself is expensive; its costs are high in both money and lives. As more and more sophisticated weaponry is developed, the costs grow higher and higher. How long can bankrupt nations afford them?

Western economists have propelled this system and are now claiming that countries like China, for instance, need America as much as and perhaps more than America needs them. But is that true? Are these economists trapped in a closed box? They are right only if China travels the same trail to development that has been blazed by the Western world. But what if the peoples of the developing world don't do that? What if they realize that the trail leads only to trouble? What if they switch their manufacturing from products for export to products for domestic consumption? What if they realize that dependence on foreign commodities is a road to ruin? What if the Chinese and other developing nations realize that becoming self-sufficient is a much safer policy? Economists call that autarchy and have been denigrating it for decades. Look what their denigrations have wrought!

If the human race is to survive, it will have to abandon this economy of plunder. The weapons of war have become too horrendous, the costs too great, the damage too sweeping, and the evil too extensive. The Earth is being turned into a wasteland, a huge landfill, a gigantic burial ground.

Some believe technology will save the day. But since the dawn of science in the sixteenth century, it hasn't shown much promise. The proliferation of products of convenience it has yielded has not ameliorated a single major problem. Suppose, for instance, that alternative forms of energy are produced. Can wind power replace oil? Perhaps, but the economic conundrum will not be solved if the turbines have to be imported from China.

Many today advocate a return to a specie standard—the gold standard. But there is nothing special about gold as specie. Gold is just another commodity, although gold has some physical properties that make its use as specie preferable. China recently agreed to lend Venezuela \$20 billion which Venezuela will repay with oil, a bartering arrangement which shows that any valued commodity can be used to ensure the value of scrip. Furthermore, since the amount of specie is limited, fractional reserve banking would still be required if the amount of scrip needed to finance the volume of trade is to be made available. Nothing would really change. Net exporting nations would quickly impoverish net importing nations by simply redeeming scrip for gold.

But Arundhati Roy is right. Wars are fought for business, but business and the economy are synonymous. Wars will continue to be fought for the economy as long as this economy is not abandoned. War is a logical consequence of it, not, as most seem to believe, a means utilized by it. No attempt to eliminate war and preserve the economy can succeed. A globalized economy leads only to a global disaster, as everyone should have now seen. Net exporters become rich while net importers are impoverished. Self sufficiency (autarchy), not trade, is the only possible way to extricate the human race from the consequences of the specie/scrip/plunder economy. A nation that doesn't need the



resources found in other lands has no reason to go to war. Globalized trade, rather than being a path to peace and prosperity, inevitably leads to war, poverty, and destruction. The economists have it all wrong.

## SPECIOUS ECONO-THINK

The Wikipedia article on Comparative Advantage contains the following sentence about it:

"That it is logically true need not be argued before a mathematician; that it is not trivial is attested by the thousands of important and intelligent men who have never been able to grasp the doctrine for themselves or to believe it after it was explained to them." Paul Samuelson.

But when one looks at exactly what Ricardo wrote, one can legitimately wonder why anyone in his right mind would ever have taken it seriously in the first place, because it appears to be entirely unworkable. Ricardo wrote this:

"Under a system of perfectly free commerce, each country naturally devotes its capital and labour to such employments as are most beneficial to each. This pursuit of individual advantage is admirably connected with the universal good of the whole. By stimulating industry, by regarding ingenuity, and by using most efficaciously the peculiar powers bestowed by nature, it distributes labour most effectively and most economically while, by increasing the general mass of productions, it diffuses general benefit, and binds together by one common tie of interest and intercourse, the universal society of nations throughout the civilized world. It is this principle which determines that wine shall be made in France and Portugal, that corn shall be grown in America and Poland, and that hardware and other goods shall be manufactured in England.

In one and the same country, profits are, generally speaking, always on the same level; or differ only as the employment of capital may be more or less secure and agreeable. It is not so between different countries. If the profits of capital employed in Yorkshire, should exceed those of capital employed in London, capital would speedily move from London to Yorkshire, and an equality of profits would be effected; but if in consequence of the diminished rate of production in the lands of England, from the increase of capital and population, wages should rise, and profits fall, it would not follow that capital and population would necessarily move from England to Holland, or Spain, or Russia, where profits might be higher.

If Portugal had no commercial connexion with other countries, instead of employing a great part of her capital and industry in the production of wines, with which she purchases for her own use the cloth and hardware of other countries, she would be obliged to devote a part of that capital to the manufacture of those commodities, which she would thus obtain probably inferior in quality as well as quantity.

The quantity of wine which she shall give in exchange for the cloth of England, is not determined by the respective quantities of labour devoted to the production of each, as it would be, if both commodities were manufactured in England, or both in Portugal.

England may be so circumstanced, that to produce the cloth may require the labour of 100 men for one year; and if she attempted to make the wine, it might require the labour of 120 men for the same time. England would therefore find it her interest to import wine, and to purchase it by the exportation of cloth.

To produce the wine in Portugal, might require only the labour of 80 men for one year, and to produce the cloth in the same country, might require the labour of 90 men for the same time. It would therefore be advantageous for her to export wine in exchange for cloth. This exchange might even take place, notwithstanding that the commodity imported by Portugal could be produced there with less labour than in England. Though she could make the cloth with the labour of 90 men, she would import it from a country where it required the labour of 100 men to produce it, because it would be advantageous to her rather to employ her capital in the production of wine, for which she would obtain more cloth from England, than she could produce by diverting a portion of her capital from the cultivation of vines to the manufacture of cloth.

Thus England would give the produce of the labour of 100 men, for the produce of the labour of 80."

Now look at the sentence and words I have underlined. Look at the qualifications may, might, probably! And look at the first sentence, "Under a system of perfectly free commerce, each country naturally devotes its capital and labour to such employments as are most beneficial to each." What kind of claim is it? It is most certainly not a factual claim. Neither is it a normative claim. Ask yourself how one would prove it or even provide evidence for it. Since the world has never had a system of perfectly free commerce, no factual evidence could ever be marshaled in support of it.

But perhaps the sentence is not a claim at all, but what mathematicians call an axiom--something presumed without proof. Then what does it mean for a country to do something?

And if that can be answered, and I don't think it can, do countries naturally devote their capital and labor to such employments as are most beneficial or that they believe are most beneficial? And what if their beliefs are erroneous? The royalty of many European countries once believed that the accumulation of precious metals was most beneficial, didn't they? Remember Mercantilism! But almost everyone today would agree that they were wrong. So first of all, this passage cited in support of comparative advantage rests on a premise that is . . . what?--I don't even know how to characterize it!

Second, putting the principle into effect depends upon a myriad of comparisons of data gathered from many countries. Has anyone ever gathered that data? How would one get it? From national governments and their central bankers? But they lie; ours does.

Would the data so gathered be static or changing? Would an economic decision made on today's data be valid tomorrow? And what if it would not? Would the presumed advantage ensue or not? Might what did ensue be a (catastrophic) disadvantage, as, for example, if a natural disaster struck a country other nations were relying upon for a somewhat essential product? Is this the kind of thing we should base economic decisions on? I think not.

Notice, too, that Ricardo's example is simplistic and unreal. It is an imaginary example. What would we make of this example if he had written, "imagine that the Seven Dwarfs made wine in Portugal." Would we have given the example any credence? Furthermore, it is impossible to derive a general principle from a single example. To do so commits the fallacy of hasty

generalization, which any educated economist should have recognized.

In *International Trade Theory and Policy*, Steven M. Suranovic puts the matter this way:

"The Ricardian model shows that if we want to maximize total output in the world then,

first, fully employ all resources worldwide;

second, allocate those resources within countries to each country's comparative advantage industries; (he doesn't say who would do the allocating)

and third, allow the countries to trade freely thereafter.

Notice the thereafter ! Then Mr. Suranovic goes on:

In this way we might raise the wellbeing of all individuals despite differences in relative productivities. In this description, we do not predict that a result will carry over to the complex real world. Instead we carry the logic of comparative advantage to the real world and ask how things would have to look to achieve a certain result (maximum output and benefits). In the end we should not say that the model of comparative advantage tells us anything about what will happen when two countries begin to trade; instead we should say that the theory tells us some things that can happen.

My, my, my! So talk about comparative advantage is Much Ado about Nothing. What has Paul Samuelson or any other economist been thinking?

## SUFFERING AND JOY

My family enticed me into attending church on Resurrection Sunday, and the experience indeed was enlightening. There was much singing accompanied by an in-house orchestra, applause and cheers, a few (in comparison) prayers whose meanings eluded me, and what seemed to be to be an interminable sermon. I'm sure that those who attended merely to hear the concert were joyfully entertained, but those who went for a spiritual experience must surely have been disappointed, because one very essential ingredient was missing--piety. Religion without piety can be likened to soccer without a ball. But it was the sermon that assailed my mind.

The preacher based his words on an analogy. He claimed that, just as the suffering of Christ on the cross has brought committed Christians the joy of everlasting life, in ordinary life too, suffering brings us joy. His argument was based on examples, the chief one of which was the suffering of the sewer worker whose work brings the rest of us the joys of good plumbing. So the thesis really was the suffering of one person or group brings joy to some other person or persons. And, of course, that is a trivial truth. But unfortunately it is also a justification for exploitation. To bring joy to one group, some other group is exploited, literally required to suffer.

So this question crossed my mind: Has Christianity been the basis for the world-wide exploitation of other peoples carried out by the so-called Western World, that world that was once known as Christendom? Was imperialism essentially a Christian phenomenon, which still goes on today even though the age of imperialism is said to have come to an end after the Second World War?



Of course, the question cannot be answered by an appeal to fact. How could one ever know for sure? Yet it raises other interesting issues.

The United States, for instance, takes pride in being a nation of immigrants. "Give me your tired, your poor, your huddled masses yearning to be free, The wretched refuse of your teeming shore, Send these, the homeless, tempest tossed to me: I lift my lamp beside the golden door." Perhaps the clause after the colon should have read, And we will keep them that way.

The United States has always been a nation that has exploited the lowest among us. Wave after wave of immigrants have come to America--Irish, Chinese, Japanese, Italians, Russian Jews, Greeks, Slavs, Armenians, Latin Americans--and each has been exploited in turn. As it became more and more difficult to exploit one group, another came to be exploited in its place. Can the Irish who were domiciled in the slums of New York in the middle of the Nineteenth Century be described any better than huddled masses?

Now the American business community is defending and seeking more immigrants ready and willing to be exploited, the illegal aliens from Latin America, the justification being that businesses cannot find a sufficient number of Americans to work the low-paying, non-benefit accruing jobs that these illegal immigrants fill. Can any justification serve as a better one for exploitation?

So has our Christian heritage caused us to turn the beacon of hope into the shadow of despair? This may be the nation our business and political communities wish to live in, but is it the one the rest of us want to live in? Do we really want to take part in this gross immoral activity? Is this really the Christianity Christ would have condoned?

I have always found sermons in Protestant churches to be strangely unChristian. Most of these sermons are based on

passages from the letters of Paul and the Old Testament. Rarely have I heard a sermon based on the teachings of Christ. I've often wondered how one can call himself a Christian while ignoring Christ's teachings. Why has Christianity as we know it ignored the two commandments of Christ? Does the promise of forgiveness and salvation guarantee such bad behavior? I don't have the answer, but we certainly should think about it.

## TAXES NO MATTER WHAT THEY'RE CALLED

An article in the Jan/Feb 2007 of Texas Journey, the magazine of the Texas AAA, proves that the AAA can just as easily be taken in as the average citizen.

The Texas Transportation Commission's Chairman, Ric Williamson, is promoting toll roads, built by the private sector, as a way of funding Texas highways. But a toll is nothing more than a highway tax, the difference being that the tax is shifted from all motorists to those who, for one reason or another, find that they have to use these toll roads. Giving this tax a new name doesn't change its character.

Mr. Williamson also implies that using money provided by the private sector to build highways is something new. It is not. Money from the private sector, raised by the states issuing bonds, has always been used to build highways. The difference is that when the state issues bonds, it gets an attractive, fixed interest rate, and the interest ends when the bonds are redeemed. But under this proposal, there is no fixed rate and no termination of the debt; the tolls go on forever. In effect, the state is turning over its taxing authority to the private sector, thereby giving up all control over how much will be collected and how the money will be spent. This proposal is just another boondoggle for the people of Texas and a boon to the private sector somewhat like the boondoggle Texans have experienced with deregulation of the electric industry.

In fact, it is even more insidious, because various companies can compete by offering electric service to the same people, while competing companies will not build parallel toll roads and

compete for motorists. So what Mr. Williamson is promoting is a giveaway to investors who will take on little or no risk and have to deal with no competition. Good for them but bad for the rest of us.

This scheme is not only bad public policy, it is bad economics. The Texas AAA should not only be doing a better job of reporting on this boondoggle, it should be organizing Texans against it.

## **“TALKING TRASH”: WAR, ECONOMIC CRISIS AND THE LIES OF HISTORY**

*“The secret is to know how to lie and to know when someone’s lying to you.” – Nicholas Sparks*

People who were alive during the Vietnamese War remember General Westmorland’s saying, “There’s light at the end of the tunnel.” They interpreted that sentence to mean that the war was coming to a victorious end. But the sentence doesn’t say that; it doesn’t say anything at all about war, no less the Vietnamese War. The interpretation of the sentence was made not because of what it said but because of who was saying it. The general in command of the US forces was expected to know what the condition of the war was and say something about it. But he didn’t know or wasn’t willing to reveal what the condition of the war was, so he uttered a statement that had no meaning. He didn’t lie. since during daylight hours there’s always light at the end of every tunnel. He spoke figuratively rather than literally. Speaking figuratively is the preferred way of talking by officials who want to appear to be saying something substantive when they have nothing substantive to say. In many cases, it is meaningless trash talk, a hidden way of lying.

President Obama is a master of it. His speeches routinely contain figurative statements. For instance, he has often said we need to get the economy “on the right track” but never says what the right track is. Literally a train can be on the right track while standing still or going backward. Trains don’t always go forward. But the metaphor and the President’s use of it obscures that. Without knowing what the right track is, he wants people to believe that he knows how to make things better.

Economists are great pretenders, too. They talk and write in figurative language and prefer to use abstract nouns in sentences that are only meaningful when they contain concrete nouns. Although few recognize it, these practices render most claims of economists meaningless. Expressing oneself meaninglessly is just another way of lying.

Take, for instance, “the economy is expanding.” Just what does it say is expanding? The word economy does not denote a person or a place. It doesn’t even denote a thing in any normal sense. We can meaningfully say that a person’s waist is expanding or the hedges are expanding or the balloon is expanding. One can identify the person’s waist or the hedges or the balloon. But no one can identify the economy. The noun does not denote anything.

Economy is an abstract noun. But it differs from abstractions like automobile. One can point to specific examples of automobiles but not specific examples of economy. If the word points to anything at all, it points to specific practices that are said to be economic, as for instance, buying or selling or working for a wage. A large number of these practices exist, but they are not all dealt with by economists.

GDP, for instance, is often touted as a statistical description of the economy’s size, but the monetary value of all economic activity is not counted as domestic product (DP). Burglary is, after all, an economic activity. But the money gotten from stealing is not counted as DP. Neither is the amount spent buying an illegal drug or a stolen item from an underground vendor or an item from a yard sale. GDP is merely the market value of all officially

recognized economic practices. Who was the official who recognized them and why them and not others?

GDP is not the economy; it is merely one of many statistical measures. Is the collection of measures the economy or do they merely describe it? If they merely describe it, which economic activities are officially recognized and which are not? You see, the economy has no specific meaning; economists regularly confuse the economy with descriptions (or partial descriptions) of it. There is no list of those things that make up the collection of activities that comprise the economy. As an undefined term, it denotes nothing specific.

To be sure, someone is sure to say that what the sentence means is that GDP is getting larger. Sure! But GDP is a statistic; it is not the economy. Saying the economy is growing is one thing; saying the amount of money spent on consumption is rising is something else.

One might say that the unemployment rate is getting smaller but does that mean that fewer people are jobless? Depends on how the rate is calculated and in the US, there are at least six different ways of calculating it, each providing a different result and five of which most people never hear or read about. See [How Bad Data Warped Everything We Thought We Knew About the Jobs Recovery](#) to see just how bad things are.

So what does the unemployment rate describe? You can look at the way the six are calculated, except that part of the calculations is the result of a telephone survey and it's impossible to know whether the people being surveyed are telling the truth. So again, what does the number really describe? The number of people

who are jobless or something else economists want to use for some purpose? All of the economic indicators are subject to the same criticism. They are nothing but estimates of something economists are interested in. The economic indicators are not the economy; collectively they might describe it, but even if they do, what is the it? The pronoun has no referent.

There are thousands of words like economy—ill defined abstract collective nouns. None of them denote anything. Inflation is about the exchange value of the dollar. One could talk about it without ever mentioning inflation. The American People is another. When a Congressman says he's listening to the American People, s/he's lying. The international community usually means a few unspecified Western nations. Our interests doesn't mean ours. Most of us have no interests in, say, Pakistan. I'd like to know which of us do, but no one ever says. Human rights are never specified. Why not? I could go on and on.

Furthermore, economists are fond of expressing themselves figuratively. Take "Consumer confidence is shrinking," for instance. Figurative language is not indicative, not factual, and science is supposed to be about facts. If economics is not about facts, what is it about? We act as though we know what "consumer confidence is shrinking" means. But do we? Numbers don't shrink. Reported consumer confidence is a statistic about human attitudes. Statements about attitudes are about people, not the economy. So what does the sentence mean? Something like "the number of consumers in a survey who say they are likely to purchase a high priced item is smaller than it was the last time they were surveyed." Does that mean people will buy the items? Not at all! So what does that economic indicator tell us about the economy? Nothing at all! It's a claim about people. All so called



“confidence measures” are about people. What people? The people being surveyed. Nobody else!

Similar claims obscure the subjects of their sentences. For instance, “(NBER says) the recession is over.” This sentence which looks like its subject is the recession is really only about GDP. A smaller or larger GDP is a recession or not merely by definition. NBER can define it any way it wants; it has nothing to do with reality. Any statistical number that falls could be called a “recession.” For instance, there’s also an income recession, an employment recession, and many others. They all equally describe some aspect of economic activity. None describes the economy.

Then there are notions like the Doctrine of Comparative Advantage.

The original idea of comparative advantage dates to the early part of the 19th century. It can be found in an *Essay on the External Corn Trade* by Torrens, in the *Principles of Political Economy and Taxation* by Ricardo, in *Elements of Political Economy* by James Mill, and in *Principles of Political Economy* by John Stuart Mill. Each of these tracts was written before what we know as economics came into existence. They do not constitute a model. The authors had no conception of an economic model. And contrary to what most economists say, the doctrine is easily understood and easily shown to be unworkable both in its original and emendated forms.

In his example, Ricardo postulates two countries, England and Portugal, producing two goods, cloth and wine. He uses the time it takes a worker to produce one unit of product. If a Portuguese

worker could produce one unit of wine in less time than an Englishman could and if an English worker could produce one unit of cloth in less time than a Portuguese worker could, it would be advantageous to Portugal to stop producing cloth and convert its cloth making resources (including its workers) to wine making, and it would be advantageous to England to stop producing wine and convert its wine making resources (including its workers) to cloth making. Both countries could then import wine and cloth from each other more cheaply than they could manufacture the products themselves. But how could one ever determine how long it takes a worker to produce a pint or a quart of wine or a square inch or foot or yard of cloth? And would every worker take the same amount of time (which is an assumption the doctrine makes)?

The example rests upon assumptions which are unrealistic as has often been pointed out, but it also depends upon a comparison of how many man-hours it takes workers in each country to produce products. That data was unavailable in the early 19th century and is unavailable today. Even if it were available, it would be old data, data for some prior year. So the necessary comparison can never be made. The doctrine, like the law of supply and demand, rests on no empirical data whatsoever. It is merely a hypothetical illustration that is easy to concoct if all of the "data" on which it rests is selected properly. Economists are claiming that Ricardo and the others were saying something they never said.

Furthermore, the increases in production that result are the result of abolishing one of the industries in each country and converting their workers to workers in the remaining industry. Each country gains from using its workers more efficiently, not from using fewer workers. But in modern trade theory, workers do not get converted; the conversion of labor is not costless; laborers simply

go unemployed. Modern trade theory does not depend on comparative advantages, and as a result, workers in the industries that survive are exploited and workers in the industries that are abolished go unemployed. Comparative advantage is unworkable. The data for any comparison is missing, and trying to instantiate it has resulted in much hardship—exploitation and unemployment. This sloppy use of language is indicative of sloppy thinking which leads economists astray and has dire consequences. Free trade agreements are not costless; they do not rely on comparative advantages. They are merely exploitative, and reality has borne this out.

Economists claim that Torrens, Ricardo, James Mill, and John Stuart Mill are saying something they never said. Justices of the Supreme Court are masterful at saying the Constitution says what it never did. See my pieces on the Court. Supreme Court Opinions are replete with trash talk.

So economists are not the only miscreants; the misuse of language is epidemic in all societies and that circumstance marks a society's intellectual decline and seems to be irreversible.

In 400 BCE, Athens was a place of all kinds of intellectual and literary activity. Classical Greek, the language in which that activity was carried on, is a highly inflected, precise language which its users had to understand well. When Christianity became prevalent, literary Koiné became the medium of much of post-classical Greek literary and scholarly writing. (Koiné is the language of the Christian New Testament, of the Septuagint, and of most early Christian theological writing. The language is basically the language of the common people of Ancient Athens.) Intellectual activity of all kinds markedly declined in the Ancient

World when Koiné became the language of intellectuals. Koiné, like modern day English is very ambiguous and easily misused.

Of course, the reasons for that decline are impossible to find. It could have been the rise of religious thinking or the decline of linguistic precision. Possibly each contributed to the other. Language is, after all, the medium of human thinking and imprecise thinking is often the result of imprecise language. Ambiguous or meaningless claims cannot be used to produce valid arguments.

Religious people have a need to “believe the absurd” (Tertullian’s Credo quia absurdum), but so do others. English, especially American English, has declined in precision noticeably, chiefly because of its use in political discourse and marketing. Here are some more examples:

The President claims that attacking Syria would “punish the regime.” But punishment is applicable only to individual sentient beings. One can punish a dog or a person but not a fly or a tree. The sentence, “I will punish the regime” is really meaningless. In attempting to punish “the regime,” only the innocent will be killed.

The President and others, in an attempt to demean “terrorists,” calls suicide bombers “cowards”; yet ordinarily those who are willing to sacrifice their lives for their causes are called “brave.” This practice, meant only to demean, only results in destroying the meaning of “brave.” Now “the brave” are those who shirk death. Now we call an ordinary combat veteran a “hero,” but we award him/her no medals. How, then, do we distinguish heroes who get medals from those who don’t?

Then there are those who say one can “save while spending.” Yet “spend” is the antonym of “save.” Or have you ever bought something that was “new and improved”? Well, if it really was new, it cannot be improved and if it really was improved, it cannot be new. And what of all the medications being sold that do nothing but “help” something unnamed do something? A snake oil salesman’s motto or more trash talk!

Those who misuse language so do so either out of ignorance of how language works or in an attempt to mislead. Trash talk is the easiest way of telling lies. It gave us a “triune God,” “a first among equals, (first is an ordinal number)” and “salvation after death” when those about to be killed beg to be saved. Trash talk is the best way known to express nonsense. Economists and marketers, clerics and theologians, and politicians and frauds are masters of it.

People, think about what you see in print or hear. Most of it is nonsense uttered to mislead you. Lying is made out to be a virtue, and murder is made out to be justice. Truth is turned inside out. Today, the seven deadly sins are the seven virtues to live by. Humanity is on a downward slope to perdition.

So many ways to lie exist that lying is easy. To tell the truth is more difficult. Collecting or collected information is not “intelligence.” Intelligence is a mental attribute that information (data) doesn’t possess. Knowing facts, where someone is or what s/he is planning to do does not make one intelligent. As a matter of fact, all of these ways of misusing language makes people dumber.

## THE COLLAPSING WESTERN WAY OF LIFE

*The greatest threat to the Western Way of Life  
is the Western Way of Life itself*

The Age of Enlightenment was born sometime around the beginning of the eighteenth century. A mere three-quarters of a century later, industrialization ushered in the Age of Endarkenment, and human life has grown more and more perilous ever since. The Golden Age of capitalism cannot be recreated merely by applying the right mixture of spending, subsidies, re-regulation, and international agreements. Because the economic advantages of industrialization rely on overproduction and profit, balanced trade is impossible if the advantage is to be preserved; it entails no economic profit. Industrialism is a Hegelian synthesis which embodies the forces for its own destruction. The greatest threat to the Western Way of Life is the Western Way of Life itself.

That human beings seem unable to solve their most pressing problems is too obvious and well known to deserve much mention; that most of the problems that human beings seem unable to solve are caused by human beings themselves deserves mention but rarely is.

Human beings act as though having to deal with problems whose causes are beyond human control is not enough. Cyclones, earthquakes, volcanic eruptions, droughts, floods are apparently not serious enough to command human attention. These problems, apparently, have to be supplemented by self-made catastrophes to keep our minds engaged. But most manmade

problems could be avoided by careful and complete analysis of the ideas that, when implemented, have dire results.

Time-tested and effective ways of analyzing problems have been known for centuries. Rene Descartes published his Rules for the Direction of the Mind around 1627 and the Discourse on Method in 1637. John Stuart Mill published his Methods in his System of Logic in 1843. The mathematical method known as *reductio ad absurdum* has been employed throughout the history of mathematics and philosophy from classical antiquity onwards, as has the method known as counterexample. And root cause analysis is a highly developed method often used in information science and other places. Oddly enough, however, even most well educated Americans seem to be unaware of any of these analytical techniques, and when attempts are made to analyze ideas, these attempts are rarely carried out logically or all the way to their ultimate ends. Americans rarely “follow the argument wherever it leads;” even those good at analysis often stop when they come across something that looks appealing.

John B. Judis recently published a piece in the New Republic in which he summarized some claims made by Robert Brenner, a UCLA economic historian. Judis writes:

“Brenner’s analysis of the current downturn can be boiled down to a fairly simple point: that the underlying cause of the current downturn lies in the “real” economy of private goods and service production rather than in the financial sector, and that the current remedies – from government spending and tax cuts to financial regulation – will not lead to the kind of robust growth and employment that the United States enjoyed after World War II and fleetingly in the late 1990s. These remedies won’t succeed

because they won't get at what has caused the slowdown in the real economy: global overcapacity in tradeable (sic) goods production. Global overcapacity means that the world's industries are capable of producing far more steel, shoes, cell phones, computer chips, and automobiles (among other things) than the world's consumers are able and willing to consume."

Why this is worth mentioning is difficult to fathom. Overproduction has always been associated with economic busts, and such busts have happened with such regularity that economists have even incorporated them into theory by euphemistically calling booms and busts the "business cycle." The question that must be asked is, "What causes overproduction?" And the answer is industrialization.

The Industrial Revolution began in England around 1780. It transformed England from a manual labour and draft-animal economy into a machine-based one. But this change in the primary mode of economic activity was not merely economic; it changed the entire culture, not clearly for the better. Almost every aspect of life was changed in some way.

Many cite increased per capita GDP as evidence of the revolution's benefits, but GDP is a poor measure of benefits. It merely measures the sum total of economic transactions in terms of the culture's money, neglecting the effects of economic activity on the quality of human life.

The Industrial Revolution is largely responsible for the rise of modern cities, as large numbers of people migrated to them in search of jobs. These people were mainly housed in slums where diseases, especially cholera, typhoid, tuberculosis, and smallpox,



were spread by contaminated water and other means. Respiratory diseases contracted by miners became common. Accidents in factories were regular. In 1788, two-thirds of the workers in cotton mills were children; they were also employed in coal mines. Henry Phelps Brown and Sheila V. Hopkins argue that the bulk of the population suffered severe reductions in their living standards. Although life in pre-industrial England was not easy, for many it was better than laboring in factories and coal mines.

Other consequences of the revolution are worse –craft workers lost their jobs. The Industrial Revolution concentrated labour into mills, factories, and mines, but industrial workers could never experience the sense of satisfaction and pride that craftsmen derived from their creations. Working a craft is a mentally stimulating and creative activity; operating a machine is not. The best craftsmen were renowned as artists. Some are still renowned today: Thomas Chippendale and George Hepplewhite, for example. The integral strength of Windsor chairs has never been duplicated in a factory. Handmade textiles, Persian rugs, even handcrafted toys are renowned for their artistry. Today that pride and satisfaction accrues only to hobbyists, such as quilters, but never to industrial workers. The Industrial Revolution degraded human life to the status of coal. People became fuel for machines. Bought cheap, people are used until unneeded and then discarded like slag. Individuality, talent, imagination, originality –the best attributes of human beings –are suppressed to the point of extinction. The Industrial Revolution sucked the humanity out of the human race; people became things.

But the revolution gave England a temporary economic advantage as that is measured by economists. Excess production, that is, production not consumed domestically, could be

exported, and England's wealth could be increased by buying (importing) cheap and selling (exporting) dear. This worked –for a while, but never smoothly.

The Industrial Revolution quickly spread to Belgium, France, the United States, Japan, the Alpine countries, Italy, and other places. As it spread, the amount of excess products that needed to be exported grew and grew, and the number prospective foreign consumers shrank and shrank. Because there is little economic advantage (as economists measure it) in trading exports for imports of equal value, the international economy necessarily divides into net exporting nations who are enriched and net importing countries who are impoverished and less and less able to afford imports. The system has to be patched or the machines would grind to a halt. Most of the work of economists since the middle of the nineteenth century consists of developing patches for this collapsing system. Comparative advantage, creative destruction, free trade, Keynesian stimuli, and even social programs (which would be unnecessary if the economy provided for the needs of people) are merely attempts to patch the system, to keep the machines running.

Industrialists soon realized that if they reduced the quality of their products, their life cycles would be shortened which would require people to replace them more often thereby increasing consumption. Manufacturers have been steadily reducing the quality of products ever since. An essential part in a device is made of an inferior material so the device fails far before its time and becomes junk, batteries in devices are soldered to their circuit boards so that when the batteries die, the products becomes junk, one fewer olive in every jar means more jars are sold, and the jars become junk. Economists like to claim that the system produces

the best products at the lowest cost, but in reality it produces the exact opposite. As more and more products must be discarded and replaced, the discarded junk is hauled to landfills or dumped in oceans. But as landfills grow larger and larger, another patch is required – recycling. But it too is ineffective. Batteries soldered to circuit boards cannot be recycled, every half-filled can of paint cannot be taken to a recycling center, separating useful elements from the useless ones is often a hazardous task. The system produces junk! Humans originated about 200,000 years ago. The Soviet Union launched the first Sputnik into space in 1957. In less than 60 years, less than a mere three tenths of one percent of the time people have inhabited the Earth, the industrial nations have put so much junk into near outer space that the junk now endangers the functionality of operational satellites. Abandoned industrial sites are often highly toxic which often require cleanup – another patch. Often complete cleanup is impossible. Toxic residues are a species of junk. Keeping the machines running necessitates the production of it.

Global industrial capitalism will continue on the gradual downward descent to collapse. The Golden Age of industrial capitalism that lasted from 1945 to 1970 cannot be recreated merely by applying the right mixture of spending, subsidies, re-regulation, and international agreements. Because the economic advantages of industrialization rely on the two ingredients mentioned above, overproduction and profit, balanced trade is impossible if the advantage is to be preserved; it entails no economic profit. Ultimately too many nations will be too poor to be importers, and the machines in the exporting countries will cease to function. Industrialism is a Hegelian synthesis which embodies the forces for its own destruction. The greatest threat to

the Western Way of Life is the Western Way of Life itself. Patches may prolong it, but they cannot remove its contradictions.

Chandran Nair writes,

The 20th century's triumph of consumption-based capitalism has created the crisis of the 21st century: looming catastrophic climate change, massive environmental damage and significant depletion of natural resources. . . . The western economic model, which defines success as consumption-driven growth, must be challenged. . . . Advocates of the western model tend to play down its dramatic effects on natural resources and the environment. They refuse to acknowledge that their advice runs counter to scientific consensus about limits and the need for stringent rules on resource management. Instead, they argue that human ingenuity aided by innovations in the markets will find solutions. This is rooted in an irrational belief that we can have everything: ever-growing material wealth and a healthy natural environment. The stark evidence . . . should be proof enough that this is not possible.

No, it's not possible, but the impossibility lies in the system's logic, not in its effects. To use the preferred diction of economists, the system is unsustainable. Since the collapse of the industrial system is inevitable, a fundamental rethinking of the way the economy works is the only alternative. It has always been the only alternative. But even that leaves humanity soaking in the pickle. When the economic advantages of industrialization have dissipated, humanity will still be stuck in a world filled with biodegradable junk, hazardous sites, raped environments, the unending consequences of the often accidental importation of alien species, polluted air and water, and numerous other

consequences, the costs of which economists have never taken into consideration. And the progeny of both the rich and the poor alike will have to live with them. The pockets full of money that the rich have won't prevent their children and grandchildren from breathing bad air or drinking bad water or dealing with environmental degradation. These children and grandchildren may someday curse the days their fathers and grandfathers were born. Capitalism, as we know it, is reaching its endgame. The meek who inherit the earth will find it to be worthless.

The human brain has enabled mankind to discover and create wondrous things; it has also been used to inflict horrendous suffering and destruction. In fact, it would be difficult to design an economic system more destructive, wasteful, and dehumanizing than the industrial, and much of the destruction it has wrought may be irreparable. Industrialization does not efficiently allocate resources; it squanders them.

So, is mankind smart? Of course, but that is not the question. The ultimate question is, Is mankind smart enough to keep from outsmarting itself? The answer appears to be no!

The Age of Enlightenment was born sometime around the beginning of the eighteenth century. A mere three-quarters of a century later, industrialization ushered in the Age of Endarkenment, and human life has grown more and more perilous ever since. Natural disasters can be catastrophic, but their destructiveness is usually limited, and the really horrendous ones are rare. Manmade disasters are ubiquitous, very extensive, and difficult, perhaps impossible, to repair. Had mankind been wise rather than merely smart, most manmade calamities could

have been avoided. Que Sera Sera! Whatever will be will be will be. The future is plain to see, and it's not pretty.

## THE ECONOMIC CRISIS: NO, THIS WILL NOT BE A NORMAL CYCLICAL RECOVERY

The Congress, at the behest of corporate lobbyists, wrote into legislation the rules that permitted companies to offshore jobs, reduce real wages, and permit risky financial practices. Therein lies the root cause of this crisis.

Philip Tetlock, a professor at the University of California, Berkeley, spent two decades tracking 82,000 predictions made by 284 experts. His findings, reported in his book, "Expert Political Judgment," are that, on average, the expert's predictions were only bit better than random guessing would have been. He writes, "It made virtually no difference whether participants had doctorates, whether they were economists, political scientists, journalists or historians, whether they had policy experience or access to classified information, or whether they had logged many or few years of experience."

The only consistent attribute was fame, and the relationship was inverse. The more famous experts made worse predictions than the unknown forecasters did. Dean Baker has often pointed out that the media, when reporting on a forecast made by a prominent economist, should (but never does) qualify the prediction with a list of previous predictions made by the expert that were wrong. But economists, even when their predictions are right, have a way of basing their predictions on sheer nonsense.

For instance, Roger Altman predicts that this will not be a normal cyclical recovery. Although it is likely that this is correct, his article is a mishmash of nonsense.

Altman writes that, “we saw a housing and credit market collapse that caused enormous losses among households and banks. The result was a steep drop in discretionary consumer spending and a halt to lending. To see why recovery will be slow, we can look at the balance sheet damage. For households, net worth peaked in mid-2007 at \$64,400bn (€47,750, £43,449bn) but fell to \$51,500bn at the end of 2008, a swift 20 per cent fall. With average family income at \$50,000, and falling in real terms since 2000, a 20 per cent drop in net worth is big – especially when household debt reached 130 per cent of income in 2008.

This debt derived from Americans spending more than their income, reflecting the positive wealth effect. Households felt wealthier, despite pressure on incomes, because home and financial asset values were rising. Now that wealth effect has reversed with a vengeance, the crisis and unemployment have frightened households into raising savings rates for the first time in years. They had been stagnant at 1-2 per cent of income but have surged to nearly 5 per cent. With reduced incomes, only cutting discretionary spending can produce higher savings. This explains why personal consumption expenditures fell at record rates at the end of 2008.”

Where and when Altman and other economists acquired the ability to read the minds of people is unknown.

Sometime in the past, apparently, some charlatan sold the economic profession a boxcar full of crystal balls. So instead of asking people why they spent more than they earned, these economists peer into a reflective glass and see only themselves.



Even my anecdotal experience contradicts Altman. Throughout the past decade, in conversations with fellow workers, neighbors, friends, and relatives, not one single time have I heard anyone boast about his/her increased feelings of wealth. They did, however, complain about the increased costs of essential products and services and the lowering of the real-dollar value of their incomes. They did not borrow because they felt wealthier; they borrowed to supplement their declining incomes in an inflationary economy. And bankers enabled them, encouraged them, to do it by offering easy loans with low payments without ever revealing the true costs of those loans. Consumers borrowed not because they felt wealthier, they borrowed because they needed the money. And when the Ponzi bankers' schemes brought down the economy, repaying the loans became impossible, job losses eliminated incomes, and consumer purchasing declined. Unless jobs are generated that provide sufficient income to regenerate a consuming economy, this will not be a normal cyclical recovery.

It, however, is not obvious that such jobs will materialize. Over the last quarter century, American business has moved myriad higher paying jobs to foreign countries which depend upon American consumers to purchase the products produced for the American companies that moved their manufacturing overseas. Even Obama says that these jobs are not coming back. The infrastructure to recreate these jobs no longer exists in America. The businesses that still provide such jobs are asking, in some cases requiring, workers to work for lower wages. The lost jobs and lowered wages mean lower consumption for the unforeseeable future. When the big three automobile companies reduce their workforces and pay lower wages, they are, in reality, reducing the market not only for automobiles but also for

products and services of all kinds. So how can bankers be expected to increase lending? Who will the credit worthy borrowers be? Certainly not the people without jobs or with reduced incomes or with reduced credit scores because of recent defaults. Certainly not businesses with fewer sales and lower profits. The lending will not materialize no matter how the failing banks are recapitalized. Furthermore, the number of jobs that need to be created for a recovery is a multiple of the number lost if the wages paid by the new jobs is less than those paid by the lost jobs. So no, this will not be a normal cyclical recovery.

Some economists have begun to speak of another “jobless recovery.” I can’t even imagine what that could mean? About three quarters of the American economy was driven by consumption. Without a regeneration of the levels of consumption needed to drive this portion of the economy, nothing that can truly be called a recovery can happen. The way out of this crisis is not to recapitalize the banks, but rather to recapitalize consumers. Given the political ideologies active in the United States of America, I doubt that that will ever happen. After all, the business of America is business, not the welfare of its people.

Economists and politicians are blaming this crisis on faulty practices carried out by the financial industry. And no one has pointed how retirement investment plans such as 401Ks regularly pumped money into the stock market and contributed to the bubble. These practices may have precipitated the crisis, but given the assault on the wages of working class Americans and the shifting of higher-paying jobs to foreign countries, an economic collapse, sooner or later, was inevitable. Anyone who

can perform simple arithmetical calculations should have known it.

When a nation consigns its people to working for meager wages, its prosperity is doomed. The Congress, at the behest of corporate lobbyists, wrote into legislation the rules that permitted companies to offshore jobs, reduce real wages, and permit risky financial practices. Therein lies the root cause of this crisis. People merely do what the law allows. Without a prosperous people, America cannot be a prosperous nation. So welcome America to the third-world.

## THE ECONOMY-BUSTED BOON

President Bush the elder , in a recent Dallas speech, lauded the success of the American economy. His justification? A rising stock market and lower unemployment. John Glen recently made the same points in an interview on one of the nightly network news programs. And Republicans are planning to end the current campaign using the same numbers. Unfortunately, most Americans do not share their glee.

How a person measures something is a measure of his/her intellectual honesty. Presenting measurements of dubious value is a sign of a sinister mind.

Of course, many tout the market and unemployment numbers as measures of the economy's health. Most of those who do it, however, have a pecuniary connection to the investment community. But neither market figures nor unemployment numbers measure anything objective. Market figures merely measure the guesses of investors, many of whom are professionals who have a huge stake in how the market goes. These people are much too involved to be objective.

On the other hand, unemployment numbers are calculated after an assumption is made of how many people in the workforce are no longer looking for employment. They may not be looking, but they certainly are unemployed; yet they are never counted.

No matter what these numbers claim to show, most people have a different measure—the amount of money in their pay envelopes and how much they can buy with it. In these terms, the American economy is clearly sinking into the pits. This coupled to the

nation's huge national debt, huge deficit, and inbalance of payments paint a picture of an economy in serious trouble, so serious, in fact, recovery may be impossible.

Although many Americans have not yet taken notice of this decline, the financiers in other nations have. Today the Hong Kong Standard, Asias premier business newspaper, claims that the U.S. dollar is losing its preeminence as the world's reserve currency and justifies its claim with numbers showing how various national bankers throughout the world have reduced their dollar holdings. It is a must read.

## THE FALLACY OF IGNORED CONSEQUENCES

On October 3, 2003, Charles T. Munger, the largest shareholder in Berkshire Hathaway after Warren Buffett, gave the Herb Kay Undergraduate Lecture to the Economics Department at the University of California, Santa Barbara after which, I have no doubt, he was soundly applauded. Unfortunately, the lessons he taught made not a single impression on the minds of the attendees.

Although he made many salient points, one was that economists pay too little attention of second and higher order effects. He said that "this defect is quite understandable, because the consequences have consequences, and the consequences of the consequences have consequences, and so on. It gets very complicated. When I was a meteorologist I found this stuff very irritating. And economics makes meteorology look like a tea party." I call this practice of ignoring higher level consequences the fallacy of ignored consequences.

It is well known, of course, that if one can select the data to be taken into consideration, almost anything can be proven, since the ability to select the data is but one iota removed from simply making the data up. This fallacy is akin to the well known statistical fallacy called confounding, for although a positive correlation can often be found between two things, it is never known whether the correlation is not an accidental result from another correlation that is not taken into account in the data selected.

All economists who advocate globalized free-trade commit this fallacy, because the only data considered are the prices of the imported products. Here is an example: Dr. Steven J. Balassi, who teaches economics (MBA and undergraduate) for several San Francisco Bay Area Institutions, wrote in a comment that "It

depends on what perspective you take. If you take the U.S. perspective, jobs moving overseas are bad and good. They are bad for those losing jobs but good for the price of the product. If you take a global perspective, trade is good. If one job is lost in America but two are gained in India, that is good for humanity. It is once again good from the product price standpoint." Ignoring the poor syntax in this comment, which indicates that Dr. Balassi was himself not a superlative student of even his native language, I would maintain that the perspective of economists is always too narrow.

The price of products has meaning only in relation to other things, as for instance, the income of consumers. But considering only the price of products entirely ignores other costs of international trade, which if added to the price of products would make the claimed advantages of it ludicrous.

For instance, the BBC has just reported that hundreds of thousands of unsafe chargers, imported from China, for mobile phones, games consoles, and music devices could have made their way into the UK. Some of these chargers carry a CE safety mark which officers believe to be fake. The chargers are being sold for about 5 on the internet and about 6 in shops. Safe chargers, which have been checked properly, retail for around 15. Concerns were raised about the safety of chargers 18 months ago following the death of a seven-year old British boy who was found dead after using his game console's charger. Trading standards officers are trying to recall the chargers. The chargers also give electrical shocks to their owners, overheat, explode, and cause fires.

If the costs of cleaning up the damage from recalling and disposing of, treating those injured by, and compensating families for the deaths of their children caused by these products were

added to the 5-price, what would the true cost of these imports be? But this is a minor example.

The Black Death was carried east and west along the Silk Road by traders. The introduction of smallpox into the Americas by Europeans obliterated entire Native American civilizations before they were ever even seen by Europeans. Were the imported products worth the lives of the millions who died?

The chestnut blight, which wiped out the American chestnut tree, was caused by a fungus introduced by the importation of Japanese chestnut trees. The fungus virtually eliminated the American chestnut from over 180 million acres of eastern United States forests and was a disaster for many animals that were highly adapted to live in forests dominated by this tree species. For example, ten moth species that could live only on chestnut trees became extinct. The Asian clam came to North America from China. This mussel clogs condenser tubes, raw service pipes, and fire fighting equipment and decreases the efficiency of energy generation, a major problem today. Cuban treefrogs are believed to have been introduced into Florida in cargo imported from Cuba. These frogs are attracted to the buzzing noise of electrical transformers and often short out the transformer causing localized blackouts. Dutch elm disease has severely damaged the American elm. European starlings, mute swans, and nutria demonstrated the characteristics of invasiveness long after their original introduction. The Australian paperbark tree has replaced native plants, such as sawgrass, in over 400,000 acres of south Florida. Because it has a combination of spongy outer bark and flammable leaves and litter, it increases fire frequency and intensity. Many birds and mammals adapted to the native plant community declined in abundance as paperbark spread. Aquatic plants such as the South American water hyacinth in Texas and Louisiana and marine algae such as Australian Caulerpa in the



Mediterranean Sea change vast expanses of habitat by replacing formerly dominant native plants. The European parasite that causes whirling disease in fishes, introduced to rainbow trout in a hatchery in Pennsylvania, has now spread to many states and devastated the rainbow trout sport fishery in Montana and Colorado. The predatory brown tree snake, introduced in cargo from the Admiralty Islands, has eliminated ten of the eleven native bird species from the forests of Guam. The Nile perch, a voracious predator introduced to Lake Victoria as a food fish, has already extinguished over one hundred species of native cichlid fish there. The zebra mussel, accidentally brought to the United States from southern Russia, transforms aquatic habitats by filtering prodigious amounts of water (thereby lowering densities of planktonic organisms) and settling in dense masses over vast areas. At least thirty freshwater mussel species are threatened with extinction by the zebra mussel. The U.S. Fish and Wildlife Service estimates a potential economic impact of \$5 billion in the Great Lakes attributed to impacts of the zebra mussel and attempts to mitigate those impacts. Zebra mussels have virtually eliminated native mussels from the Great Lakes and altered the basic food chain, threatening the availability of microscopic food for native fish. The sea lamprey reached the Great Lakes through a series of canals and, in combination with overfishing, led to the extinction of three endemic fishes. The first sailors to land on the remote Atlantic island of St. Helena in the 16th century introduced goats, which quickly extinguished over half the endemic plant species. North American gray squirrels are driving native red squirrels to extinction in Great Britain and Italy by foraging for nuts more efficiently than the native species. The Hawaiian duck is being lost to hybridization with North American mallards introduced for hunting. The rarest European duck (the white-headed duck) is threatened by hybridization with

the North American ruddy duck, which was originally kept as an amenity in a British game park. The ruddy duck escaped, crossed the English Channel, and spread to Spain, the last stronghold of the white-headed duck. Ornamental fig trees, planted in the Miami area for over a century because they were sterile, requires a particular wasp to pollinate it, and the wasps were absent. About fifteen years ago, the pollinating wasps for three fig species arrived and now these fig species are reproducing. At least one has become invasive, with seedlings and saplings being found many miles from any planted figs. More cases of this phenomenon, termed "invasion meltdown," are likely to arise as more species are introduced and have the opportunity to interact with each other. And this, believe it or not, is a short list.

Approximately 68% of fish species lost in North America over the last century were caused by an invasion of exotic species. and has also caused the economy to suffer through the obstruction of industrial and municipal water pipes and the displacement or elimination of important commercial and sport fishing species. Public health is also negatively impacted. For example, in a number of coastal areas in the United States, cholera strains carried in the ballast water of some commercial trade ships contaminated numerous oyster and fin-fish populations, making them unsafe for consumption. Without the disease and predators that they contend with in their native lands, the spread of these species can be epic in proportion and the effort to control them can cost billions of dollars. Exotic species can have many negative impacts on the environment, the economy, and human health. When species are introduced into an area, they may cause increased predation and competition, disease, habitat destruction, genetic stock alterations, and even extinction. Of 26 animal species that have gone extinct since being listed under the Endangered Species Act, at least three were wholly or partly lost

because of hybridization with invaders. One was a fish native to Texas, eliminated by hybridization with introduced mosquito fish. Rainbow trout introduced widely in the United States as game fish are hybridizing with five species listed under the Endangered Species Act, such as the Gila trout and Apache trout. Almost half of the native species in America are endangered because of invasive species. The statistics are startling and more attention must be paid to the problem and devising a solution before the cost is more than we can bear. Compared to other threats to biodiversity, invasive introduced species rank second only to habitat destruction, such as forest clearing. Of all 1,880 imperiled species in the United States, 49% are endangered because of the introduction of exotic species alone or because of their impact combined with other forces. In fact, introduced species are a greater threat to native biodiversity than pollution, harvest, and disease combined. Further, through damage to agriculture, forestry, fisheries, and other human enterprises, introduced species inflict an enormous economic cost, estimated at \$137 billion per year to the U.S. economy alone.

No one would suggest, of course, that international trade be abandoned, but any attempt to justify it and its increase that is based merely on nominal commodity prices is a logical absurdity, since all such attempts are based on a single, primary consequence. When the costs of the overlooked secondary, tertiary, and quaternary consequences are added to the nominal prices of imported products, the economic advantages of international trade do not look nearly as beneficial.

Of course, our economists who hew to the so called liberal/neoliberal ideology will never take these additional consequences into account. To do so would complicate their calculations far beyond their meager intellectual capacities and nail shut the coffin of their religiously held ideology. Humanity

should be well aware by now of just how difficult it is to get someone to abandon his religion. Moslem hoards once attempted to convert Christians to Islam with the command, convert or die. Perhaps we need to confront our economists with a similar choice, but it would have to be, convert or we all die.

## THE FLAW OF SUPPLY AND DEMAND

As a boy, I developed an absorbing interest in how things work, and every time a household gadget failed to work properly, I dismantled it, noting where each part went and what function it played in the device. In pursuing this interest, I discovered that many devices were engineered in ways that made them not only fail prematurely but impossible to repair which led me to develop a robust skepticism of the honesty of American business. (See my piece, "America on the Dulling Edge.") Decades later, when I was a college student, I found that this method of learning how things work was also useful in acquiring an understanding of theories and commonly accepted doctrines. As a result, I found that many of these, upon analysis, had little if any significant content. The Law of Supply and Demand is one such doctrine.

The Law of Supply and Demand is usually presented in textbooks in association with a graph made up of two intersecting lines, but the graphs displayed are not identical. Some show straight lines with opposite slopes; some show curved lines, one being in some sort of inverse relationship to the other. One line represents supply, the other, demand, and the point of intersection, price. Readers are told to imagine moving one of the lines to the right or left and observe how the point of intersection changes. If the supply line is moved to the left (decreasing supply), the point of intersection (price) rises; if the supply line is moved to the right, (increasing supply), the point of intersection falls. Similar but opposite results are generated if the line of demand is similarly moved. Students are induced to conclude that as supply falls or demand rises, prices increase, and as supply rises or demand falls, prices fall. Essentially, that's all there is to this doctrine.

However, if one disassembles this doctrine, important things are revealed. The graphs sometimes show straight, sometimes curved lines. But any two intersecting lines produce the same result. The nature of the lines on the graphs is irrelevant. Since lines are made of sequences of data points, data is also irrelevant. Since the lines are arbitrary, no formula can be written that relates them to each other and, therefore, the doctrine doesn't allow anyone to make any calculations. That is, the price cannot be calculated by replacing the supply and demand variables with numbers. The supply cannot be calculated by replacing the price and demand variables with numbers, and the demand cannot be calculated by replacing the price and supply variables with numbers. Although the graph gives the impression that the relationship is mathematical, the doctrine has no mathematical applications.

I am surprised that no economist has found this curious, especially since mathematical modeling is so pervasive in today's orthodox theory. For instance, Dani Rodrik has written, "The economics profession doesn't take an argument seriously until the argument can be laid out with a well-specified model that respects accepted standards of modeling. . . ." But if a well-specified model that respects accepted standards of modeling is necessary for economics to take something seriously, the Law of Supply and Demand should have been jettisoned a long time ago.

Someone may object that I have not stated the doctrine precisely, and that's true. So let's examine its terms.

Supply seems to be the easiest to understand. Let's say it means the number of units of a product available for sale, although I'm not certain that this definition is accurate. But the concept of demand is another matter altogether. First of all, using the word

demand in this context is a linguistic howler. When a robber walks into a bank, points a gun at a teller, and says, "Give me the money!", s/he is making a demand. Demands are expressed in imperatives. That's not what happens in the marketplace. So what can demand mean in this context? One possibility is the number of people who need a product, as for example, the number of people who need a specific drug to maintain their lives. Another is the number of people who want a product, as for instance, the number of children who want a specific toy for Christmas. Still another is the number of people who can afford to purchase the product. But none of these is part of the doctrine as precisely stated. The precise definition of demand is the number of people who are willing to purchase a product at a specific price. But this definition destroys the doctrine, because if price alone determines the demand, supply is no longer relevant even though the supply may influence the vendor's pricing. The doctrine becomes a mere empty tautology. Furthermore is willingness to buy synonymous with buys? Isn't it possible for a person to say, "I was willing to buy it, but I was too busy to get around to it"? But the real weasel word is price.

The Law of Supply and Demand is perhaps the most frequently cited economic principle by the American press; it is cited every time an oil company raises gasoline prices. But the precise definition of price in the doctrine is "equilibrium price" which is a purely theoretical concept. What relation it has to the actual price is a mystery.

When an oil company or an economist claims that the price of gasoline is rising because of increased demand, it/he/she is weaseling. The precise claim should be that the equilibrium price is rising because of increased demand, but that is never claimed,

and even if it were, it would have no relevance unless the relationship between the equilibrium price and the actual price were specified. All equilibrium price means is the price at which the number of units for sale is equal to the number of units consumers buy. But equilibrium is a fantasy. If it is ever attained in reality, the attainment is purely accidental. So the Law of Supply and Demand plays no place in the marketplace.

It is true, of course, that retailers sometimes lower prices during “sales” to rid themselves of excess products. But they do not raise prices when the number of items available decreases. The products are sold at the fixed price until they are gone or are restocked. Even oil companies function this way at the retail level. After a supply of gasoline is delivered to a filling station, the price is set and even if a long line of automobiles forms at the station, the proprietor does not dash out and increase the price to get some of the people lined up to drive away. The same is true of toy makers at Christmas. Often one new toy becomes very popular with children whose parents attempt to buy it. But toy stores do not increase the price when they notice the unexpected demand; they merely sell the toy first come, first acquired until the toy is sold out. So the Law of Supply and Demand is a principle without a practice.

Pricing is not the only method of distributing products. In times of crisis, such as wartime, products are often merely rationed. Everyone who needs a product gets a share of those available. The manufacturer makes a profit and consumers get at least some of what they need. Another distribution method is the method described in the previous paragraph. Products are distributed to consumers first come. Again the manufacturers make a profit and those consumers who get to the retailer soon enough get what



they want, those who do not get none. But what would happen if the Law of Supply and Demand were applied in the market place? The vendor would raise the price as the supply diminished, the consumers who managed to acquire the product would pay more for it than they would otherwise, and the other consumers would get none no matter how essential getting some was. This scenario is identical to the previous one except that the vendor makes a larger profit at the expense of the consumer. It is merely a method of transferring wealth from consumers to vendors without providing consumers with an additional benefit. In other words, it transfers wealth from the neediest to the needless.

This, of course, raises an important question: Why would economists advocate a method of distribution that enriches vendors at the expense of consumers? Why would they advocate an economic principle that reduces the wealth of consumers to advantage vendors? Exactly for whom does the economy exist? After all, increasing the wealth of the wealthy few at the expense of the many violates every ethical, moral, and humanistic principle ever proclaimed. Why would any decent human being advocate such a system?

The Law of Supply and Demand is an empty, tautological doctrine that is not supported by observations of the marketplace and merely serves as an excuse used by some producers to increase prices to the detriment of consumers. It is not an economic law; it is an economic flaw. It is not even a legitimate idea; it is a mere notion. So are orthodox economists who advocate this “law” merely bad people? Perhaps not; perhaps another explanation exists.

Consider this analogy. Recently I accompanied my wife to a Sunday school class. The text of the day was Acts 2 where the claim is made that Peter preached and three thousand were converted. While driving home, I said to my wife, "I wonder what kind of sound system Peter used." She quickly saw the passage's absurdity and replied by saying, "I never thought of looking at it that way." The point is that once a person adopts an ideology, questioning it rarely occurs to him/her. If such a person can be persuaded to question it, the foolishness quickly becomes evident. The fault, of course, lies in educating people in ways that do not encourage questioning orthodoxy. Yet knowledge only advances in a culture of iconoclasm. Hal R. Varian has written, "Indeed, when pressed, most economic theorists admit that they do economics because it is fun." Games are played for fun; serious thinking is not, and game playing is not iconoclastic. No one who plays a game questions its rules. Questioning the rules never even occurs to game players, just as it rarely occurs to ideological true believers. The lack of an iconoclastic culture in classical economics is its Achilles heel.

I have often thought that classical economics is some variation of the game named Monopoly. The data used, faulty as it often is, can be likened to the sum of the dots shown after the dice are thrown, and the fiat money they measure value by is exactly like Monopoly money since it has no intrinsic value. The wealth that economists claim is created often vanishes in an orgy of destruction. And while these economists are having fun, people suffer and often die.

## THE FOOLISH PROPERTY TAX

Tax critics often complain about the regressivity of sales taxes, but no scheme of taxation is immune from that complaint, since any tax can be made regressive by altering the rate structure and providing exemptions to select groups. I have never heard any tax critic take on the property tax, however, and I wonder why. It is, after all, the most unjust tax of all, and its unjustness has been known at least since the eighteenth century.

In Book V, Chapter II, Part II of the *Wealth of Nations*, Adam Smith provides an analysis of taxation. He claims that taxation should only be applied to sources of income, and he cites only three of these: rents, profits, and wages. The property tax, is of course, not a tax on any of these. As a matter of fact, it is difficult to determine exactly what is being taxed by it.

Oh, it seems clear enough. One is taxed on the current market value of the property. But the current market value is neither a source of income nor even an asset. If you own a one-hundred thousand dollar house but have a mortgage whose payoff is eighty thousand dollars, you have only a twenty-thousand dollar asset. So when the homeowner is taxed on the current market value, he is being taxed for the mortgage holder's asset as well as his own. And that certainly is unfair.

But assets, if not invested, are not income producing anyhow, and given Smith's analysis of taxation, they should not be taxed at all. And if a homestead is to be taxed, he claims it should only be taxed in relation to the rent that could be derived from it if it were rented. He writes, "The rent of houses might easily be ascertained with sufficient accuracy, by a policy . . . which would be necessary for ascertaining the ordinary rent of land. Houses not inhabited ought to pay no tax. A tax upon them would fall altogether upon the proprietor, who would thus be taxed for a

subject which afforded him neither convenience nor revenue. Houses inhabited by the proprietor ought to be rated, not according to the expense which they might have cost in building, but according to the rent which an equitable arbitration might judge them likely to bring, if leased to a tenant." In other words, Smith wants to tax property as though it were income producing. But a homeowner living in a mortgaged property would thus be able to deduct from the estimated rent the costs associated with maintaining the property, including the mortgage payment, just as any other landlord would. But that would reduce the state's income derived from property taxes to such an extent that they would hardly be worth collecting.

So why havent both economists and tax critics taken on the property tax? It is not only unjust, it flies in the face of good economic theory. Since the Wealth of Nations is the economic bible of free enterprise economics, I can only conclude that our free-enterprise economists are hypocrites, and that our tax critics have their heads in the sand.

## THE INSURANCE INDUSTRY'S USE OF CREDIT SCORING

Your piece on the insurance industry's use of credit scoring is indeed a bad Blow. Your reliance on statements made by people with a stake in the matter can be likened to asking the fox if his invasion of the chicken yard is justifiable. Good journalism requires something more objective than that.

First you fail to point out that in spite of the industry's claims, not a single study of the validity of the use of credit scoring has ever been made public so the claim can be reviewed objectively. Search the internet, the professional journals in a good university library- -you wont find a single one. If the claim has such validity, why all the secrecy? Even the august Texas legislature, which commissioned such a study from the University of Texas, hasn't released it for public scrutiny, and when I asked the office of the Lieutenant Governor for a copy, my request was ignored. I thought of making a Freedom of Information request, but decided against it merely because there wasnt much I could do with it except satisfy my own curiosity. Your paper could make a request and publish it though. Ever thought of doing that?

Such studies are of dubious validity even when they do seem to show valid relationships. Statistical literature is full of such examples. But you need to only remember the vast number of recent medical claims that have been made on the basis of such studies that later have been shown to be wrong. Think about the recent news about the use of estrogen as beneficial to the health of women. For decades we were told that studies showed such a benefit. But alas, they were wrong, according to the most recent studies. Do you really think we ought to base policy on that kind of nonsense?

Second you talk about the industry's ability to alter the formulas to get different results. That should have raised your hackles!

That ability insures that the proponents of the practice can get any result they want. Decide what you want and write the formula accordingly! So much for objective validity.

Then finally, think about your understanding of how a relationship between credit scores and insurance claims can be possible. Sure, people who use credit carelessly may also do other things carelessly, but that doesn't prove anything unless you can also show that a vast majority of the people with poor credit scores are people who have used credit carelessly. As far as I know, no study has ever been done that gives that result.

A poor credit score can result from a vast number of things other than the careless use of credit. The credit granting institutions pushing easy credit on people, the high interest rates involved, and the penalties included make it almost certain that even the slightest bad luck will destroy a creditor's score. A debilitating accident, the sudden illness of a child, a sudden death of a family member, loss of a job, a loss of investments in the stock market, a divorce, increases in the cost of living unaccompanied by proportional increases in income, even something like an increase in insurance costs, can push even careful people over the edge, since credit today is granted not on the basis of a creditor's present assets, but on an estimate of his future income. Do you want to argue that all of these people are irresponsible users of credit? If so, I believe the only relevant conclusion to be drawn is that the only responsible use of credit is to use the offers of it as kindling for a fire.

It is said that William Barrett Travis, that hero of the Texas Revolution who now resides in the Texan Pantheon of godlike figures, came to Texas to avoid the debts he had accumulated in, I think, Alabama. What would this heroic Texan say about this use of credit scoring? The insurance industry would, I guess, point to his clay feet. So much for heroes!

I really shouldn't but I want to include another point about the credit industry, even though it diverges from the main argument. Credit granting institutions use of penalties for late payment is something a good journalist could have a field day with. I suspect that if you checked the D&B ratings of those institutions, you will discover that many, perhaps all, don't pay their own bills on time. So I'm sorry to have to tell you that you, like so many others, have been suckered. Thank you Mr. Phineas Taylor Barnum!

## THE IRRELEVANCE OF ECONOMISTS

Apologetics has a sordid history. Etymologically the term merely means defense, but the word has come to be applied to people who promote causes, justify orthodox views, or deny the existence of events, even crimes, by being deceptive, omitting negative and exaggerating positive information, and using reasoning that employs even well known fallacious logical principles. Although often temporarily successful, ultimately apologists are discredited when their arguments clash with reality.

The last thirty years of the 19th Century was financially difficult for the United States. The American economy, in trying to adjust to the rise of the railroad, iron, and steel industries, was beset by a concentration of ownership of and the use of predatory practices by these industries which came to be called "trusts". These trusts were opposed by agrarian interests and trade unions. In the 1880s, violence often resulted from the confrontations of capital and labor. Economists took sides, and a group of archconservative American economists, called the American Apologists, arose to defend the new industrial age and condemn unions and populist causes. They were apologists for the status quo, and they dominated the American university system much as neo-classical economists do today.

The apologists sought to defend industrial capitalism which was dominated by these monopolistic trusts. Destitute farmers, ruined craftsmen, and immigrant laborers were being forced into becoming low-paid industrial workers. These economists attempted to explain how the unrestrained greed, predatory practices, and ostentatious displays of wealth by the industrialists



could still be ethical and why an almost openly corrupt government should be allowed to use its power to crush trade unions and farmers, place strict controls on the money supply, use regulations to minimize competition, and erect protectionist trade barriers.

The American Apologists often made appeals to specious religious and moral arguments. Their claim that the “eternal laws of economics” were divinely instituted was analogous to the claim of kings that they ruled by divine right. Some apologists were Social Darwinists who appealed to the theory of evolution to justify these “natural economic laws” that placed the fittest in positions of industrial leadership. Given this penchant for moral piety, the apologists were easily ridiculed, and when the orthodox economics of the American Apologists clashed with reality in the early part of the 20th Century, the orthodox view collapsed. Unfortunately it experienced a renaissance in the 1980s but once again has come face to face with reality. Now apologetics are again in vogue.

Once again, the United States is experiencing trying economic times, and conservative economists are again defending the status quo. The American government is again being called upon to use non neo-classical means to fix a broken economy without destroying the underlying neo-classical theoretical system that has again brought the nation’s economy to its knees. And these neo-apologists have no qualms about using what they consider to be Satan to save what they consider to be God. It never occurs to them to ask whether they have their denotations reversed.

Dani Rodrik, professor of international political economy at the John F. Kennedy School of Government at Harvard University,

recently posted a piece titled, *Blame the Economists, Not Economics* in which he presents a very curious argument.

So is economics in need of a major shake-up? Should we burn our existing textbooks and rewrite them from scratch?

Actually, no....

The fault lies not with economics, but with economists. The problem is that economists (and those who listen to them) became over-confident in their preferred models of the moment: markets are efficient, financial innovation transfers risk to those best able to bear it, self-regulation works best, and government intervention is ineffective and harmful.

They forgot that there were many other models that led in radically different directions. Hubris creates blind spots. If anything needs fixing, it is the sociology of the profession. The textbooks at least those used in advanced courses - are fine. . . .

Economics is really a toolkit with multiple models - each a different, stylized representation of some aspect of reality. One's skill as an economist depends on the ability to pick and choose the right model for the situation. . . .

No economist can be entirely sure that his preferred model is correct. But when he and others advocate it to the exclusion of alternatives, they end up communicating a vastly exaggerated degree of confidence about what course of action is required.

Paradoxically, then, the current disarray within the profession is perhaps a better reflection of the profession's true value added than its previous misleading consensus. Economics can at best

clarify the choices for policy makers; it cannot make those choices for them.

When economists disagree, the world gets exposed to legitimate differences of views on how the economy operates. It is when they agree too much that the public should beware.

The difficulty with this argument is its lack of consistency. Rodrik writes of “economics” but what that term refers to is unclear. Is it the neo-classical theory presented in most textbooks? Or is it a hodgepogged agglomeration, “a toolkit with multiple models,” that various economists have devised? If it is a textbook theory that allows for diverse, conflicting, and contradictory models, it is inconsistent and illogical. If it is an agglomeration of models, the theory presented in the textbooks that “are fine” is irrelevant. If “one’s skill as an economist depends on the ability to pick and choose the right model,” how can anyone exercise that skill if “no economist can be entirely sure that his preferred model is correct”? If “the public should beware” when economists “agree too much,” how can the public be assured “when economists disagree”?

What Rodrik has argued, without recognizing it, is that both the neo-classical theory presented in textbooks and the economists themselves should all be dismissed as irrelevant, since they and the theory can’t be trusted when they agree and when they don’t, the trustworthy models can’t be identified. So how can economics and economists “clarify” anything? And if they can’t, what good are they?

## THE LONG DECLINE OF THE AMERICAN ECONOMY

The official position on the cause of the current financial downturn is that it was caused by the reckless practices of financial institutions and the failure of regulatory bodies, and it is likely that these were the proximate causes, but they were not the ultimate cause. Americans, unfortunately, are rarely willing to search for ultimate causes or do anything about them when they are found.

In the 1980s, I was living in a suburb of Washington, DC. One evening, a friend and I were walking the streets of Georgetown when we met a group of Japanese taking pictures of a building they had just purchased. They asked us to take some photographs of them in front of it, which we did. A few blocks further along, we observed a group of teenagers drumming on plastic household buckets. The kids were very good drummers, but I pointed out to my friend that after WW2, the youths of the Caribbean altered abandoned oil drums into musical instruments of various ranges and created a new and unique musical genre – steel drums. Later over dinner, my friend and I discussed what appeared to be a serious decline in America's economic fortunes and culture.

We were not alone in noting this decline. There was much talk and writing at the time about how the Japanese seemed to be on the verge of buying America and how the quality of products and services delivered by American companies had been outstripped by foreign competitors, especially the Japanese. TQM (Total Quality Management) programs, made up of approaches to management that originated in Japanese industry in the 1950s, were highly touted. Having observed Japan's success employing

quality control techniques, western companies started to take their own quality initiatives. TQM, developed as a catchall phrase for the broad spectrum of quality-focused strategies and programs. The most well-known proponents of TQM are Deming, Juran, Ishikawa, Feigenbaum, and the ISO (International Standards Organization).

The success of these programs has been slim. Numerous studies have shown that implementing a quality standard rarely improves a company's performance, and my own personal experience validates that. I was involved in ISO standard implementations in three companies. It was obvious to me that none would work, and the first company went bust within three years of acquiring certification, the second company also no longer exists, having had its assets sold off in a bankruptcy proceeding, and the third is currently in the process of being sold. During this last implementation, I asked to be relieved of my work on it because the project was so shoddy, I didn't want to be associated with it.

Today TQM talk has almost entirely disappeared from popular literature. It has disappeared along with factories and jobs. TQM citations in the business literature began a continuous long-term decline in 1992. There has also been a marked decline in TQM consulting firms. "Commitment to TQM appears to have been only skin deep."

Various reasons are cited for this failure, because anyone familiar with the standards recognizes that the best practices advocated themselves are not faulty. The reasons cited mainly have to do with American managerial attitudes. The implementations were 'top-down,' imposed from above rather than 'bottom-up' so rank

and file employees never had a stake in them, managements created no follow-up programs to measure effectiveness, etc. And all of these reasons are also proximate causes for their failure.

But quality in TQM is often defined as the totality of features and characteristics of a product or service that bear on its ability to satisfy the expectations of consumers. In other words, quality is “giving the customer what he wants.” In pre-implementation training, consultants often used McDonalds as an example. Every McDonalds’ hamburger, no matter where made or bought is identical. When this example was presented to rank and file employees, they scoffed. They often asked, “What do we need all these new policies and procedures for? We’re already producing junk.” It was not that the policy was being imposed ‘top-down’ that alienated the rank and file employees, it was the program’s goal. The employees recognized that merely producing junk more consistent would not stem the economy’s decline, since junk never competes well with quality. What really caused the economy’s decline was the business model adopted by American companies, touted by America’s orthodox economists, and aided and abetted by the government.

Recently, TechRepublic summarized a piece published by Forrester:

Most . . . managers are stumped when it comes to capturing the right . . . metrics and then effectively conveying their relevance to management. Decision makers tend to focus on the one metric they understand: The cost . . . and how to reduce it. This Forrester White Paper reveals the five essential metrics for effective . . . managing. . . .

1. investment alignment to business strategy,
2. business value of . . . investments,
3. . . . budget balance,
4. service level excellence,
5. and operational excellence.

These five metrics should form the core of a . . . performance scorecard.

But this advice is pie in the sky. Decision makers focus on the only metric they care about—the cost and how to reduce it, not the only one they understand.

Ideally, companies exist to provide products and services to people. If the products and services are good, the companies prosper; if they aren't, the companies fail. That's risky, so American companies inverted this model. They fed the public the notion, which has rarely been questioned, that a company's responsibility is solely the financial welfare of its stockholders. Products and services are no longer the goal of business; they are merely means to profit. That reducing quality leads to greater profits quickly became evident. One fewer olive in each jar, one flimsy part in a complex device, one inefficient procedure in a manufacturing process, built-in obsolescence, built-in short product life-cycles, engineered high failure rates. The American quality standard became, "Junk"! For more examples, see my paper, *America on the Dulling Edge*.

To ensure that American consumers would buy this junk, a number of other policies were advanced – declining employee wages so that consumers could not afford to buy more expensive imported produces, unenforcement of immigration laws and the introduction of special visas such as H1B1s so that the workforce would expand putting even further downward pressure on wages, restrictions on the ability of American workers to organize, and finally the offshoring of production. None of these policies could have succeeded without the complicit cooperation of America’s orthodox economists and government.

But logically, this business model could not be sustained. As the incomes of workers drop, so does their consuming ability. To mask this result, easy consumer credit at high interest was introduced, but that would eventually bring about consumer defaults. So even the bankruptcy law was changed to make it more difficult for debtors to be relieved of their debts. GNP was calculated so that all of this consumer debt was counted as productive spending which masked the economy’s decline. Sooner or later, the current economic collapse was inevitable. The nation’s negative balance of payments became huge as did its deficit. Foreign nations have far more American dollars to spend than does the vast portion of Americans themselves. This business model has bankrupted the nation.

So now American companies are hoping to sell their foreign-manufactured junk in foreign countries. But this hope involves two problematical scenarios. It can only succeed if foreign countries also adopt this junky model, and only so long as the countries where the junk is being made don’t realize that they can manufacture and market the junk without the help of American companies. The likelihood of either of these is slim.



First, most of the developed nations in Europe have strong labor movements which not only can and often have shut down all economic activity in their nations. So many of the policies described above which have enabled the American model to succeed domestically are not likely to be adopted elsewhere. Second, China, at least, has already discovered that it can market its products in developing countries itself.

So when the American power elite speak of a rebounding economy, they are whistling Dixie in the Yukon. There is no economy left to rebound. It has been dismantled and exported. The ultimate cause of America's collapse is the entrenched, rigid, faulty ideologies that our nation's leaders have adopted. These ideologies placed America on the road to ruin. Foreign policies, especially wars paid for by borrowing, have increased the speed of travel on this road. And as incomes decrease, so do our freedoms. Future historians will someday ask, who lost America? The answer will be the American business community, its economists, and its politicians who have adopted rigid ideologies. That answer will serve as America's epitaph.

## THE MYTH OF BUSINESS-FRIENDLY TAXES

The analysis of taxation that Adam Smith presents in Book V, Chapter II, Part II of the *Wealth of Nations* has a number of interesting implications which if recognized have never been made widely known.

Smith begins like this: "The private revenue of individuals . . . arises ultimately from three different sources; Rent, Profit, and Wages. Every tax must finally be paid from some one or other of these. . . ." He then states four general principles which he claims should apply to all systems of taxation. They are these:

"I. The subjects of every state ought to contribute towards the support of the government, as nearly as possible, in proportion to . . . the revenue which they respectively enjoy under the protection of the state."

"II. The tax which each individual is bound to pay ought to be certain, and not arbitrary."

"III. Every tax ought to be levied at the time, or in the manner, in which it is most likely to be convenient for the contributor to pay it."

And "IV. Every tax ought to be so contrived as both to take out and to keep out of the pockets of the people as little as possible, over and above what it brings to the public treasury . . . ." And in relation to this maxim, Smith adds that a tax should not be levied in a way that "requires a great number of officers, whose salaries may eat up the greater part of the produce of the tax. . . ."

The first implication of Smith's maxims is that the personal income tax and the sales tax violate the fourth maxim.

Smith then goes on to discuss the taxes that can properly be levied on each of the three types of revenue, but it is his analysis of the tax on wages that we find the most interesting implication, which unfortunately, Smith never carries to its logical conclusion. He writes, "A direct tax upon the wages of labor . . . though the

laborer might perhaps pay it out of his hand, could not properly be said to be even advanced by him. . . . In all such cases, not only the tax, but something more than the tax, would in reality be advanced by the person who immediately employed him."

From this it clearly follows that the wage earner really never pays the tax on wages; that that tax is paid by his employer.

Take the personal income tax as an example. Say a person is said to receive a wage of \$60,000 yearly and the tax on this income is levied at 20%. The tax would be \$12,000, and the person's real income would be merely \$48,000. Now if the employer withholds the \$12,000 from the employee's pay and sends it directly to the government, it is difficult to justify anyone's claim that the employee has been paid \$60,000, since the \$12,000 that is withheld from his pay is no more his than is the salary of the employer's CEO. In truth, the employee's income is merely \$48,000. The \$12,000 is a tax on the employer levied on the wages he pays that goes directly to the government.

So, the fact that currently the tax is attributed to the wage earner is merely a book keeping gimmick. For if the employee's wage was stated correctly as \$48,000 and he had no tax to pay on it, his income would be exactly the same as it is under the current system. And if the government levied a direct tax of 20% on the wages paid by employers, the government's take would again be exactly the same as it is under the current system. Absolutely nothing monetarily would change.

If that were done, the IRS could be eliminated along with yearly personal tax filings, and the result would be that the tax rate levied on employers could be reduced, since without having to fund the IRS, the government would need less revenue. Furthermore, it would reduce the employer's paper work and yield considerable savings, for instead of having to make tax

calculations on each individual employee, the tax could be calculated in one simple operation.

But there are further implications of Smith's analysis that even he failed to see.

If we ask, as Smith did in relation to wages, where the money paid in taxes comes from in relation to rents and profits, we find this: "Rents are paid to landlords by tenants, and any tax the landlord pays on rents is really supplied by the tenant." So just as employees really pay no taxes, neither do landlords. But who are tenants? Well they are either landlords themselves, businesses or investors in businesses, or wage earners. Now since neither wage-earners nor landlords really supply the monies collected as taxes, only businesses and investors in businesses do. So although businesses are always looking for ways to avoid taxes, their search is futile. For no matter who conveys the tax to the government, it ultimately has been paid by business, since even the incomes of investors come from the businesses they have invested in.

But the analysis can be carried even further.

Taxes on commodities, commodity transactions (sales), and even the property tax are derivative. Nominally they are paid by consumers and homeowners. But consumers and homeowners break down into landlords, businesses or investors in businesses, or wage earners just as landlords are shown to break down above. So although it doesn't appear to be so, businesses ultimately pay all of these taxes too. All that business does is transfer the sums needed to pay these taxes to wage earners and investors who then transfer these taxes to the government. This practice is not only cumbersome and inefficient, it is deceptive, since it makes it appear that both investors and wage earners are getting a lot more in return for their investments and labor than they actually are.

How much simpler and more efficient the whole matter would be if businesses were taxed directly, rather than in these indirect ways, and all of these other tax schemes were eliminated!

But perhaps asking legislators to do things in the simplest and most efficient way is more than they could ever handle. It would make their jobs too easy. Legislators, apparently, have an innate drive for complexity. Not only is the tax code so complex that even the people charged with enforcing it don't always know what it says, and their legislation, too, is more often than not so complex that legislators have to vote without ever having read the bills. One hardly has to point out how absurd all of this is. How can good government ever be the product of such a system?

## THE MYTH OF THE RATIONAL VOTER

In *The Myth of the Rational Voter*, Bryan Caplan argues that, "To see if the average voter's beliefs about the econom[y] . . . are right . . . you can ask the general public and professional economists, and see if, on average, they agree. . . . [E]xperts have been wrong before. But it is hard to get around the strong presumption that if experts and laymen disagree, the experts are probably right, and the laymen are probably wrong."

Although this thesis sounds sensible, it contains an overlooked assumption, viz. that professional economists and average voters are talking about the same thing when they speak about the economy. There is good reason to believe that this assumption is false.

The modern social science of economics began in the 15th Century, and it was propelled by the economic advisors of European monarchs who sought to enrich their national treasuries. These advisors had little concern for the welfare of common people. Mercantilism, which was the economic theory advocated by them, held the simplistic view that to enrich the state, precious metals should be imported and commodities exported (which would be paid for in precious metals). The effect of this theory was, of course, to impoverish the people.

Adam Smith, in his seminal work that became the foundation of Western free-market economics, was highly critical of mercantilism, but his objective was the same as that of the Mercantilists. The title of his treatise is, after all, *The Wealth of NATIONS*. And Western trained economists have never abandoned this objective.

The average voter, on the other hand, not only is not concerned with the nation's wealth, he is concerned with his own, and he instinctively understands that what is true of the whole is not

necessarily true of the part. He sees the economy in terms of the amount in his pay envelope and what he can buy with it. In this sense, the average voter thinks of the economy as the Ancient Greek did, as household economy. So it is perfectly reasonable that the average voter and the professional economist should disagree about the economy's condition.

The professional economist measures the economy in rather artificial terms values in the stock market, corporate profits, the artificial unemployment rate, gross national and domestic products, but never per capita income. And that's the only measure relevant to the average voter, beyond his own income.

Mr. Caplan spends some time trying to devise a way of educating the average voter so that his beliefs about the economy more closely match those of professional economists. He would do better devising ways to educate professional economists about the real economic concerns of people and forget about the macro-economy.

## THE PERILS OF OUTSOURCING

Ah, offshore outsourcing--while enraging its opponents, it's all the rage among it's proponents. And because the arguments are all simplistic, let me point some things that are either unrecognized or deliberately avoided.

Successful offshore outsourcing requires at least two necessary conditions which are rarely found in the under developed countries such outsourcing goes to--political stability and reliable legal systems. So short term success based on recent historical circumstances can not be used as assurance for continued success. Consider what would have happened if American companies had outsourced production and services to Yugoslavia during the period of stability caused by the dictatorial rule of Marshall Tito? And if an x-ray is misread by some Asian practitioner and an American dies or is seriously impaired as a result, what legal system does the injured party turn to for redress?

But there is something else. When an American purchases a product manufactured in some underdeveloped country and has trouble with it, he returns it to the store from which it was purchased. He is not required to deal directly with the people in the country in which the product was manufactured. However when services are outsourced offshore, the American using the service must deal directly with the foreigners involved. This direct communication complicates the issue considerable.

Communication can be difficult, because even if the foreigners speak English, they do not speak American dialects, and anyone who watches the English programming often broadcast on PBS or the History channel knows how difficult understanding foreign



dialects can be. Then there is the deep-rooted disdain that Americans have had for foreigners. Rarely are they considered our equals. Couple that with the fact that Americans are not widely loved throughout the world, as anyone who watches the news should now be aware of, and a circumstance emerges which is potentially rife with conflict. Can we really rely on people who don't really like us to provide the kinds of services we are used to when those people also know that we look at them with disdain? And when an American becomes incensed at the poor service s/he receives in such circumstances, the only resort is to take it out on the company which has outsourced the service. What impact will that have on customer relations and the ultimate bottom-line? No one has any idea!

So those businesses that think that just because manufacturing outsourced offshore has not had negative effects on the companies that engaged in the outsourcing, it by no means follows that companies outsourcing services offshore will fare just as well. The circumstances are entirely different, and such outsourcing could very well be a disaster in the making.

## THE QUEST FOR HUMAN PROGRESS

That human beings are rational can no longer be assumed as it was by the ancient Greek philosophers or even by eighteenth century thinkers; far too much anecdotal evidence has been accumulated that debunks the view. But rationality, nevertheless, plays a prominent place in many human endeavors. Those sciences that have increased in knowledge the most are eminently rational, and increasing knowledge is one way of measuring human progress. Unfortunately, there are many human enterprises in which progress has been dubious at best, the social sciences, for instance, and some, such as ethical behavior, in which there has been none at all. Thinking about the conditions under which human beings have lived historically can lead a person to question how much progress humanity has really made in the past twenty centuries. This question is important, for if a method of measuring human progress were available, it could be applied to various human activities to determine which of them are worthy of pursuit.

Rationality involves the use of well-defined patterns. If, for instance, an activity does not produce the desired results, the activity is abandoned as ineffective. For this pattern to work, however, the desired results of any proposed activity must be unambiguously stated and be measurable. When people continue to engage in any activity even after the activity's ineffectiveness has been demonstrated, those people can only be labeled irrational. Often, the failure to abandon such activities lies in deeply rooted ideological beliefs that have never been subjected to rational analysis. Belief in such ideologies can be likened to religious belief, and, I believe, are the cause of much human misery.

To evaluate any activity's effectiveness requires knowing what it aims to accomplish. In the absence of such knowledge, no one can ever know if the activity is worthwhile or not. Yet many human endeavors are carried on without such knowledge. Government, itself, often falls into this category of human activity. The Constitution of the United States, for instance, lays out how the government is to be operated, but it nowhere states, in precise and measurable terms, what kind of nation its writer's hoped to create. So no one knows whether this government is a success or a failure.

Over the course of Western intellectual history, rather precise goals of human activity have been stated. At least, until the Reformation, the goal of ethical thinkers has been to raise mankind above the bestial part of its nature. Even primitive ethical maxims have this aim. The Golden Rule, for instance, is not something wolves could ever be expected to conform to; yet it often is the primary ethical rule human beings are told to abide by.

Another tendency in Western intellectual history is been the slow, but until recently, inexorable movement from institutions to people. Totalitarian states, for instance, are often described as those in which the people exist for the benefit of the state rather than vice versa. Since the emergence of social compact theory in the eighteenth century, such states are usually considered illegitimate, since they are not governed with the consent of the people. So any attempt to measure human progress must measure the effects institutions, policies, and practices have on the people and not on some other real or contrived entity.

Recently, attempts have been made to measure income inequality in various societies over centuries. The results of those attempts are revealing.

Comparing the Ginis of modern and pre-industrial nations, research has found that a sample of nine modern countries had a Gini of 43.3 while the pre-industrial revolution countries had a Gini of 45.7. So it seems that while human civilization has advanced by leaps and bounds over the past two millennia, income inequality has stayed relatively the same. In other words, economic practices since the beginning of the industrial revolution have not materially improved the financial conditions under which human beings live, and if economics is to be judged by its effect on the people, that is, human beings in general, laissez faire economics must be considered a failure.

Of course, economics is one of those human activities without clearly stated measurable goals, so its effectiveness can never be measured, even though its periodic failures are evident. Every time the so called business cycle goes into a tailspin, the theory's failures are apparent, and the people are the ones who suffer the most. We have also now learned that Relative Poverty Kills as Effectively as Any Disease . These new studies merely buttress this economic system's failure. It not only perpetuates poverty, it literally kills, especially children.

But how could any rational person ever have thought it could be otherwise? Adam Smith, the Adam in the laissez faire Garden of Eden, assured this failure. First of all, he was not interested in the welfare or wealth of people. The title of his seminal treatise is, Wealth of Nations. Second, he defined the wages of working people as those necessary for mere subsistence. And although not stated that way today, the subsistence wage has never been rejected by the theory. Even today, as real wages fall, economists tell us the economy is both healthy and growing. So Adam Smith has not described an economic system fit for human beings, he has described the economic system of an ant hill in which

workers, soldiers, drones are given enough to keep them alive and performing but never enough to make them prosperous.

This economic system also flies in the face of the long intellectual history of Western civilization. Not only does it not contribute to the rising of mankind above its bestial nature, it reduces mankind to the level of insects. In this sense, the economy does not exist for the benefit of people, but people exist merely to benefit the economy. Laissez faire economics completely contradicts the essence of social compact theory. And if people were clearly and unambiguously told that the system permanently relegates them to the bottom rung of the economic ladder, I doubt that a single person would consent to being governed by it. In that sense, laissez faire economics is as illegitimate as any totalitarian government.

Yet American economists, especially the most prominent and even the somewhat liberal, continue to support it. They are, in reality, the Pat Robertsons and the Jerry Falwells of American economics. More specifically, among them is Dani Rodrik , Professor of International Political Economy at the Kennedy School of Government of Harvard University. He writes of his new book, *One Economics, Many Recipes: Globalization, Institutions and Economic Growth*, that this book is strictly grounded in neo-classical economic analysis. And therein lies the problem with economists. No matter how obvious or bad the consequences, economists can no more abandon the theory than some on the Christian right can abandon Creationism.

Of course, Mr. Rodrik and others will reject this analysis. He has been confronted with similar analyses before. He writes, on his blog, "I was at the University of Massachusetts Amherst yesterday . . . the department is well known as the hangout of left-wing critics of economics and economic policy, so I had a different reaction . . . than I am accustomed do. Instead of getting

questioned on whether I am downplaying the benefits of further trade and financial liberalization, I was quizzed on why I thought standard economics was at all a useful starting point for my policy agenda. And instead of people being worried about how policy space would be abused by developing nations, I was asked whether international financial institutions and multinational enterprises would ever tolerate such a thing. I don't think my answers . . . convinced anyone."

How strange! A person engaged in a profession that calls itself a science, gives a lecture to a group of his scientific colleagues, and convinces no one. That must mean that his arguments did not stand up to peer review and are therefore dubious or that no real scientific discussion took place, just as, for instance, none takes place in a discussion at the Southern Baptist Convention over the Bible's inerrancy.

I don't ever expect to see it, but a clear description of the economy's measurable goals and how fulfilling them will improve the financial condition of the people would be helpful (not the abstractions introduced into economics by William Petty). Then the system's effectiveness could be measured. Until classical and neo-classical economists can show that the system attains such goals, it can never attain the status of science or be considered anything but a suspect ideology. All of the claims, numbers, protestations, and predictions of economists will continue to be nugatory until they can answer the simple question that an old commercial asked, "Where's the beef?" An economic system that, from the people's point of view, is all talk and no substance will never attain universal respect. As someone said, "It's not the conspiracies that wreck the world but the series of wrong turns, failed policies, and little and big unfairnesses that add up." All the evidence that I can find shows that so called

classical and neo-classical economics produce such a failed policies.

## THE SHAMANS AMONG US: A WORLD IN PERPETUAL CONFLICT

### *The Deleterious Consequences of Economic Models*

Economic models are mere policy proposals; they are not the consequences of any economic system based on “natural law or even good theory,” they are not scientific; they are merely ad hoc. Furthermore, deleterious consequences often result from these models. Economists also routinely simplify things to a point that makes them even impossible to describe coherently. But there’s much more. Rodrik has posted two pieces that imply that rather than bringing about a world in which everyone lives happily ever after, economic models result in a world in which everyone lives in perpetual conflict.

There is an Afterword in Dani Rodrik’s book *The Globalization Paradox* which he has posted on line titled, “A parable for the world economy.” For reasons obvious to anyone who reads it, he felt it necessary to supplement it with another piece titled, “The economics of a parable, explained” which really doesn’t explain very much. Yet both pieces together reveal much that Mr. Rodrik seems to be unaware of. So here’s what I found in it.

Rodrik’s Parable (which is more accurately an allegory)

Once upon a time in some undefined place, whose description sounds very much like an island, there were a number of villages, at least two, widely separated by both distance and a dense forest. One of those was a little fishing village at the edge of a lake whose poor inhabitants lived off the fish they caught and the clothing they sewed (out of what, Rodrik doesn’t say) and had no



contact with the other villages, since they “were miles away and could be reached only after days of travel.”

But then the stock of fish in the lake plummeted. The villagers went to the village shaman (read economist) and asked for help. He told them to set up a fishermen’s cooperative which would decide how much fish each man could catch in a month until he fish stock is replenished.

“The villagers weren’t happy to be told how to run their business, [when did these impoverished villagers merely trying to eke out a living become 'businesses']” but they understood the need for the restraint and in no time, the lake was overflowing with fish.

Problem solved? Well no.

Even though the villagers’ access to fish was now restored, the shaman had another (unsolicited) idea. (What else would one expect from a shaman?)

The shaman said. “Since you seem to be interested in my help, would you like me to give you another idea?” “Isn’t it crazy that you all have to spend so much of your time sewing your own clothes when you could buy much better and cheaper ones from the villages on the other side of the forest?” Has this shaman read Ricardo? And how could the shaman have known about the better clothing available in the other village? After all, the villagers, “had no contact with the other inland villages.”

Oh, well, I guess shamans just know such stuff.

The villagers asked, “what can we sell in return?” So now these poor villagers who originally were just trying to eke out a living are also buying and selling?

“I hear the people inland [aren't lakes inland?] love dried fish,” said the shaman. But from whom did the shaman hear this? Does he talk to God, perhaps? Maybe just hears voices in his head.

So the villagers dried some of their fish and started to trade with the villages on the other side of the forest. The fishermen got rich on the high prices they received while the price of garments in the village dropped sharply. My oh my! How Rodrik’s simple little fishing village has changed. Now it has wampum and a market, a pricing system, rich fisherman, and, sadly, impoverished garment makers. What a wondrous place the shaman had wrought. But it wasn’t!

“Not all villagers were happy. Those who did not own a boat and whose livelihood depended on the garments they sewed were caught in a squeeze. They had to compete with the cheaper and higher-quality garments brought in from the other villages and had a harder time getting their hands on cheap fish. They asked the shaman what they should do.”

In the beginning of this “once upon a time allegory” the village had one problem to solve. Thanks to the village shaman, the village’s problems have increased faster than the fish.

But, of course, the shaman has solutions. More and more and more solutions. Now he suggests an increase in taxes. Taxes? Where did they come from. “The shaman said, ‘You know how every family has to make a contribution during our monthly

feast? ‘Yes,’ they replied. ‘Well since the fishermen are now so much richer, they should make a bigger contribution and you should make less.’” The fishermen weren’t thrilled, but it seemed like a sensible thing to do to avoid discord in the village and soon the rest of the village was happy too. So once again, the shaman had brought happiness to the poor, fishing village. Aren’t economists, oops, shamans, wonderful?

Well, no! The shaman had still another idea. “Imagine how much richer our village could be if our traders [traders?] did not have to spend days traveling through the dense forest. Imagine how much more trade we could have if there was a regular road through the forest.” “But how?” asked the villagers. “Simple,” said the shaman. “Organize work brigades to cut through the forest and lay down a road.”

So first the village consisted of garment makers and fisherman. Now it also has businessmen, road builders and traders. What about fish dryers, packagers, backpack or cart makers, and only Rodrik knows who else?

Before long, the village was connected to the other villages by a paved [paved?] road that cut down on travel time and cost. Trade expanded and the fishermen [or traders] got even richer.

But, as time passed things turned sour. “The road gave villagers from beyond the forest easy access to the lake and allowed them to take up fishing, which they did in droves. Since neither the council nor the fisherman’s cooperative could enforce the fishing restrictions on outsiders, the fish stock began to deplete rapidly again. The new competition also cut into the earnings of the local fishermen. They began to complain about the feast tax being too

onerous. The “road had made it easy to come and go—and evaded their obligations altogether. This made the rest of the villagers furious.” Ah, yes, that damn little wonderful road! It was time for another trip to the shaman.

All agreed that the situation was unsustainable; the road had made them all poorer. The fishermen wanted a change in the rules that would reduce their contributions to the monthly feasts. Others wanted an end to the fish trade with outsiders. Some even asked to blockade the road. But the shaman, not realizing that had he never proposed building the road, none of this would ever have come to pass, had still another suggestion: Place “a toll booth at the entrance to the access road, and everyone who comes in and out should pay a fee.”

“But this will make it more costly for us to trade,” the fishermen objected. “Yes indeed,” the shaman replied. “But it will also reduce over-fishing and make up for the loss in contributions at the feasts.” “And it won’t cut off trade altogether.” “The villagers agreed that this was a reasonable solution. They walked out of the meeting satisfied. Harmony was restored to the village. And everyone lived happily ever after.” Sure they did! The solution created so many problems that Rodrik had to write another piece in which he describes what could be an infinite number of additional problems. Read it.

But even Rodrik either doesn’t recognize or chooses to ignore some major problems: He ignores the fact that the shaman’s suggestions are mere policy proposals; they are not the consequences of any economic system based on “natural law or even good theory,” they are not scientific; they are merely ad hoc. Furthermore, none of these deleterious consequences would had

occurred had the shaman not said, "Since you seem to be interested in my help, would you like me to give you another idea?" From that point on, everything that needed fixing was a worse problem caused by the shaman.

Shamans routinely simplify things from which they then draw conclusions but the simplifications are too simple to even be described coherently, as this parable/allegory is. The "little fishing village" has all of the ingredients of an advanced industrial economy although it is never described that way. The ingredients are found, piecemeal and unexplained, as the allegory progresses. How many economic models are similarly constructed?

But there's more, much more, but I'll mention just one. Once the villages had established a trading system, the various village shamans would surely have begun thinking of their own village's interests in the other villages, and their shamans would have begun to make suggestions about how to "protect" those interests. And when one village decided its interests required more of what the other village was willing to provide, some shaman would have suggested raising an army and merely taking what his village wanted. An army would have been raised by telling the young that they were going to be engaged in serving their village by protecting it and that it was noble to die for their village. They would all be honored as village heroes. But in truth, all they would be is cannon fodder for the sake of plunder, and the shamans' suggestions, rather than bringing about a world in which everyone lived happily ever after, result in a world in which everyone lives in perpetual conflict. Thank you Mr. Shaman Rodrik and your fellow shamans. You have made all of this perfectly clear. World trade leads to world war.

Henny Youngman often told this joke: I went to my doctor and told him, it hurts when I do this. My doctor said, well, don't do that.

Shamans of the world, your doctoral degrees are in witchcraft.  
Stop telling people to do things that hurt.

## THE SHORT, MISERABLE LIFE OF AMERICAN PROSPERITY

*“To forget one’s purpose is the commonest form of stupidity.”  
– Friedrich Nietzsche*

History is not always progressive; there have been many instances of extensive regression. Immoral institutions can more easily become worse than better. When the Capitalists have accumulated all the wealth there is and have the means to take away any that is subsequently created, what will the mass of mankind have become? Dignified people enjoying the good life? Wherein does mankind’s fate lie?

Nothing can be judged properly without knowing its purpose, but human purposes are not always evident. People with nefarious goals attempt to keep them secret. And what the goal of what economists call economics is is entirely mysterious. One view, often held by most people, is that the legitimate purpose of commerce is to provide goods and services that people need. Judged by this goal, the economy is an abject failure. Another, often held by vendors, is that markets exist for efficient capital formation while protecting the interests of investors. As Peter Drucker has said, “The purpose of a business is to create a customer,” and such businesses can be successful by marketing bads and disservices as well as goods and services. Whether this makes a difference to economists is unclear. Of course, if capital accumulation is the goal, American-style Capitalism functions very well; it stamps out billionaires as regularly as it stamps out automobiles, but it certainly does not provide people with the goods and services they need. The question is, why not?

Kenneth Arrow, an eminent American economist, has said “Virtually every commercial transaction has within itself an element of trust,” and Alan Greenspan, in his *mea culpa, mea culpa non*, has said much the same thing by remarking on the trust people have in their pharmacists. Yet everyone should know that this trust is misplaced.

As early as 1523, more than half a millennium ago, *caveat emptor* came to be used commonly in Europe in relation to commercial transactions. As I’m sure most readers know, the phrase means, “let the buyer beware.” The expression came into use because it was common knowledge that vendors would lie and cheat whenever given an opportunity to. To protect themselves from this common lying and cheating, buyers were warned to be wary of vendors bearing goods since they were, more often than not, Greeks bearing gifts.

The general commercial practices of lying and cheating were legalized in American jurisprudence in *Laidlaw v Organ* (1817) where it is argued that buyers must take responsibility for their purchases because, “The interest of commerce not permitting parties to set aside their contracts with too much facility, they must impute it to their own fault in not having better informed themselves of the defects in the commodities they have purchased.” Although this principle now lacks the universal application it had in the 1800s, it still is applied generally in most consumer transactions. Thus *caveat emptor* makes commerce an untrustworthy, fraudulent activity. Every buyer should always expect to be cheated, especially in today’s markets where products are designed to make thoroughly inspecting them impossible.



Any society with such a commercial and legal system is, in its very essence, unjust. No harmless person, child, adolescent, adult, healthy or infirm, young or aged, educated or ignorant, would ever need to be wary of any legal commercial transaction in a just society. And no unjust society can ever be a force for good in the world. There is no question that Western Capitalism in general and the American economy in particular are unjust in this very way, and whatever force it exerts in the world must perforce be a force for evil. That it is becomes more and more apparent everyday to more and more people everywhere. Western Capitalist nations are indeed Satanic. In a just society, no person, vendor or buyer, should have to beware!

\* \* \*

So what is the “element of trust,” then, that every commercial transaction has within it? Is it the misplaced trust that every customer has in his/her pharmacist? Why do consumers still display this “trust”?

Is it because they have little choice? If someone needs a pharmaceutical product, it, pretty much, must be gotten from a pharmacy. and the legal system allows pharmacies to lie and cheat to sell their products. Is the system rigged against ordinary consumers? Of course it is!

Many claim that Western Capitalism is on the verge of disintegration.

“A dozen Labor Days – and three presidential elections – ago, the world was in the thrall of American-style capitalism. Not only had it vanquished communism, but it was widening its lead over

Japan Inc. and European-style socialism. Today, that economic hegemony seems a distant memory. . . . Retooling American capitalism has become something of an national – and even international – obsession.”

But no consensus on how to “retool” it emerges which is reminiscent of Harry Truman’s quip, “If you took all the economists in the world and laid them end to end, they’d still point in different directions!” Economics might best be described as the science of pretending to be a science. As Roger Schank writes,

“Professional economists don’t really understand economics. The arguments they have with each other are vicious and when the economy collapses there are always a thousand explanations. . . .”

So where is a blueprint for a new American capitalism likely to come from? Not from economists.

Before a new blueprint for American Capitalism can be drawn, however, an even more fundamental question must be answered—Could Capitalism even function without the lying and cheating? Could capital accumulation ever occur if consumers and workers were not exploited, lied to, cheated, and stolen from? If not and if Capitalism is not abandoned, there can never be a new blueprint for a new American Capitalism that won’t repeat the depredations of the past and the present. Such a Capitalism is simply impossible. Capitalism is Capitalism because its only function is to accumulate capital.

Surplus value is the source of capital accumulation; it is the value created by workers that exceeds the cost of their labor. In

Capitalist societies, the legal systems allow capitalists to appropriate all of the surplus value. Since capitalists never pay for it, its accumulation in the hands of capitalists leads to enormous wealth. Workers, on the other hand, acquire little of the wealth they create. Keynes predicted that by 2030, the productivity of workers in advanced economies would be so great that people would be able to live better and work half as many hours. The prediction about productivity proved true; those about the benefits to people and labor did not. The continual increases in productivity because of technological advances lead to more and more surplus value, but all of it is expropriated by the capitalists. The rich get richer at everyone else's expense.

These depredations of American Capitalism are described as though this avaricious economy only recently came into being. Current economic conditions are invariably compared to those during the Great Depression. But the Great Depression was not America's only previous economic collapse. Collapses that impoverish Americans are regular events. The American Gilded Age (c1870-98) had many of the characteristics America displays today. The age was noted for political corruption, financial speculation, and the opulent lives of wealthy industrialists and financiers. The corruption was so extreme that the wealthiest became known as "Robber Barons" who today are known for little but their thievery. What is hardly ever mentioned, however, are the frequent economic collapses Americans have endured.

The Panic of 1873 was a financial crisis which triggered a severe international economic depression. It was known as the "Great Depression" until the 1930s, but it goes unmentioned today. In the United States, this depression was caused by the collapse of

Jay Cooke & Company, a major American banking establishment. Jay Cooke & Company was the Lehman Brothers of the time. The economy was brought down by, yes, bankers.

It happened again in 1893. Deceptive railroad financing set off a series of bank failures. The bankers did it again.

If that weren't enough, it happened again in 1907. The panic, also known as the 1907 Bankers' Panic was triggered by a failed attempt to corner the market on stock of the United Copper Company. When this attempt failed, banks that had lent money to those who had concocted the cornering scheme suffered runs that later spread to affiliated banks and trusts, leading to the downfall of the Knickerbocker Trust Company – New York City's third-largest trust. The collapse of the Knickerbocker trust spread fear throughout the city's other trusts as regional banks withdrew reserves from New York City banks. Panic extended across the nation.

Is that all? No, it happened again in 1929, causing what is known as the Great Depression.

People, these are not isolated events. They are not infrequent. They are not accidental. They always result from bankers trying to acquire greater profits by cheating. Wikipedia lists "as many as 47 recessions in the United States since 1790." That averages out to one every 4.7 years. Never in America's history has there ever been a significant period of prosperity. This economy is designed so that it even steals the milk off the lips of infants. Jefferson knew what apparently no American officeholder knows today. "banking institutions are more dangerous to our liberties than standing armies!" Anyone who trusts a banker trusts a scoundrel.

Originally, people deposited their specie with bankers for safekeeping. The bankers lent the depositors' money to others at interest and kept the proceeds for themselves. That's what fractional reserve banking does. It can be likened to situations that are clearly dishonest, such as this one: A person takes his/her family to the opera in the family car, puts his automobile in the hands of a valet who is expected to park it, and enters the opera house. The valet, instead of parking the car, uses it as a taxi cab for the two hours the opera is performed and pockets the taxi fees. Anyone to whom this happened would scream bloody-blue murder, but bankers are allowed to do it every day of the week, and the people and even governments trust banks. How's that for being snookered? Can this economy function without the lying and cheating? No, it can't.

People wonder whether American Capitalism can be saved. What sane person would want to save it? When this economy "recovers," what will it have gotten back to? Two thousand and Eight? What about nineteen seventy? Or nineteen forty-five? Or nineteen twenty-eight? Or nineteen naught six? Economists talk about recovery all of the time, but none says what the recovery will look like. What if it looks like 1523? Will everyone be pleased to be once again living in the sixteenth century? But even if it "recovers" to say 2007, be assured, it will collapse again, and again, and again, and again! An economic collapse is nothing but the bankers' way of taking back what they have let consumers to believe they had acquired.

History is not always progressive; there have been many instances of extensive regression. Immoral institutions can more easily become worse than better. When the Capitalists have accumulated all the wealth there is and have the means to take

away any that is subsequently created, what will the mass of mankind have become? Dignified people enjoying the good life? Wherein does mankind's fate lie?

## THE TRIUMPH OF CAPITALISM: JOBLESS NATIONS

The Obama administration is intent on applying supply side principles to get the American economy out of the present recession, but supply side principles are based on the belief that if the government cuts taxes on the wealthy, they will invest their savings in new factories, that newly hired workers will increase employment, and that more output will increase tax receipts. But there is no way to make sure the wealthy actually invest their wealth in productive enterprises, especially in the U.S.

This entire theory is based on the mere pop-psychological belief that if you give a person money, s/he will invest it in productive ways. But nothing forces wealthy people to do that, and they haven't, worse, never really have, since creating jobs is not an essential business function, only making money is, and getting financial incentives from government is merely another way of making money, Giving money to businesses will not end recessions or depressions. In fact, it is likely to prolong them, since businesses will not create jobs until it is evident that those jobs will result in profits.

During the California Gold Rush, merchants went to the camps only after gold was discovered, and they left when the lode petered out. They did not use the capital they acquired from the miners to open productive businesses to provide jobs to the now jobless prospectors. In capitalist economies, capital is not acquired to be spent; it is acquired to be accumulated. Businesses do not exist to create jobs. Jobs are created by businesses only when it suits their purposes.

Beliefs in conventional wisdom are always dangerous. More often than not, conventional wisdom is wrong. But there are two kinds of conventional wisdom—the pro and the con. Every bit on conventional wisdom has its naysayers, and just as conventional wisdom can amount to nothing more than mere beliefs, so can the beliefs of naysayers. For instance, that today's economy is failing is rather evident, but many critics of it seem to believe that the problems with today's economy are of recent origin. But that's false. The economy today is little different in essence than it was in the 1600s when the colonists brought it with them from England. The horrors of England's 17th Century economy then are exactly its horrors today. Wealth held in the hands of a few and poverty experienced by the many. High levels of crime infused throughout society. Widespread unemployment, underemployment, and degrading employment. The destruction of human dignity. Homelessness, hunger, and frequent wars fought by common people for the benefit of the merchant class. Prevalent discrimination of various kinds. Government which governs for the wealthy and not for the people in general. And although there have been short-lived periods when the people were led to believe that their prospects were improving, these periods have regularly ended in economic collapses that wiped out any gains the common people had acquired.

The universal features of this economy are exemplified in the following historical vignette.

On January 24, 1848, gold was discovered by James W. Marshall at Sutter's Mill in Coloma, California.

When people learned about the discovery, hundreds of thousands rushed to California. Wherever gold was discovered, miners



collaborated to put up a camp and stake claims. Rough and Ready, Hangtown, and Portuguese Flat, among many others, sprang up, and merchants flocked to them, set up business in hastily built buildings, lean-tos, tents, and anywhere else serviceable to sell everything imaginable. Miners lived in tents, shanties, and deck cabins removed from abandoned ships. Each camp often had its own saloon and gambling house. Women of various ethnicities played various roles including that of prostitute and single entrepreneurs.

At first, the gold was simply “free for the taking.” Disputes were often handled personally and violently. When gold became increasingly difficult to retrieve, Americans began to drive out foreigners. The State Legislature passed a foreign miners tax of twenty dollars per month, and American prospectors began organized attacks on foreigners, particularly Latin Americans and Chinese. In addition, the huge numbers of newcomers drove Native Americans out of their traditional hunting, fishing and gathering areas. Some responded by attacking miners. This provoked counter-attacks. The natives were often slaughtered. Those who escaped were unable to survive and starved to death. Natives succumbed to smallpox, influenza, and measles in large numbers. The Act for the Government and Protection of Indians, passed by the California Legislature, allowed settlers to capture and use natives as bonded workers and traffic in Native American labor, particularly that of young women and children, which was carried on as a legal business enterprise. Native American villages were regularly raided to supply the demand, and young women and children were carried off to be sold. The toll on the American immigrants could be severe as well: one in twelve forty-niners perished, as the death and crime rates during

the Gold Rush were extraordinarily high, and the resulting vigilantism also took its toll.

Hydraulicking as a means of extracting the gold became prevalent. A byproduct of this was that large amounts of gravel, silt, heavy metals, and other pollutants went into streams and rivers. Many areas still bear the scars of hydraulic mining since the resulting exposed earth and downstream gravel deposits are unable to support plant life.

The merchants made far more money than the miners. The wealthiest man in California during the early years of the Gold Rush was Samuel Brannan, the tireless self-promoter, shopkeeper and newspaper publisher. About half the prospectors made a modest profit. Most, however, made little or wound up losing money. By 1855, the economic climate had changed dramatically. Gold could be retrieved profitably from the goldfields only by medium to large groups of workers, either in partnerships or as employees. By the mid-1850s, it was the owners of these gold-mining companies who made the money. When the lode petered-out, the merchants abandoned the sites faster than the miners. The gold rush was over.

I have, in the past, written about many of these horrid features of Capitalist economies, especially its abject immorality. Today I want to discuss an obvious falsehood that still gets repeated especially by right wing politicians and their counterparts in the economics profession and the business community, that is, businesses, not governments, create jobs.

This generic claim is, of course, obviously false and its generality makes it grossly ambiguous. What precisely does it mean, especially since the politicians who utter it spend piles of money

and time trying to get jobs that are not created by any business? No business created the jobs of Congressman or President, so what sense does it make for such a person to claim that businesses, not government, creates jobs? The claim is utterly stupid.

In fact, businesses have no interest in creating jobs. Consider the vignette described above. Merchants flocked to the mining camps after gold was discovered and they left when the lode petered out. They did not use the capital they acquired from the miners to open productive businesses to provide jobs to the now jobless prospectors. In capitalist economies, capital is not acquired to be spent; it is acquired to be accumulated. Employees are merely means to that end, and whenever a business can accumulate capital without the use of employees, it will do it. And that is what has happened in large measure in America today. Businesses have found ways of accumulating capital without the need for American employees and government has aided and abetted businesses in doing so.

So, when a politician advocates giving financial incentives to businesses to induce them to create jobs, those politicians are involved in a ludicrous absurdity. All the proposal does is provide businesses with another tool for extracting money from common people without even having to deal with them, and the capital acquired by businesses in this way will merely be added to the capital accumulation bank. Why would a business want to create a job with it and put that capital in jeopardy? To assume that businesses will use that capital to create jobs is the fallacy of supply side economics, which, incidentally, is based on nothing but pop-psychology.

Supply side economics is based on the belief that if the government cuts taxes on the wealthy, they will invest their savings in new factories fitted with new technologies that will produce goods at lower costs, that newly hired workers will increase employment, and that more output will increase tax receipts. The economy will lift itself by its bootstraps. But there is no way to make sure the wealthy actually invest their wealth in productive enterprises, especially in the U.S. This entire theory is based on the mere pop-psychological belief that if you give a person money, s/he will do “the right thing” with it, namely, invest it in productive ways. But nothing forces wealthy people to do that, and they haven’t, worse, never really have, since creating jobs is not an essential business function, only making money is, and getting financial incentives from government is merely another way of making money, Giving money to businesses will not end recessions or depressions. In fact, it is likely to prolong them, since businesses will not go where money cannot be made, because merchants are attracted to money like flies are attracted to dung. Businesses do not exist to create jobs. Jobs are created by businesses only when it suits their purposes.

## THE TRIUMPH OF EVIL

Modern societies have justified their adoption of criminal activities by claiming that such techniques are necessary to combat evil. But the war against evil by the good cannot be won using evil tactics. Evil never yields goodness, and by using these evil practices, the amount of evil in the world increases both in amount and extent. Attempting to save the nation by becoming what you are trying to save the nation from is suicidal. Unless benign techniques such as those developed by primitive societies are put to use, evil will prevail. Then, paraphrasing J. Robert Oppenheimer's comment after the first atomic bomb was successfully tested, We will have become evil, the destroyer of goodness.

Some decades ago, while having dinner with a newly elected Attorney General of the State of North Carolina and the Chief Justice of that state's Supreme Court, the jurist told me that everyone involved in the legal system and enforcement had to think like criminals to catch them. He believed the statement to be straight forward and evident until I pointed out that the line between thinking like a criminal and acting like one is very fine and is easily and frequently crossed, which results in increasing the amount of evil in society rather than reducing it. Few apparently notice this consequence and the criminal-like behavior of those charged with enforcing and adjudicating the law has increased so substantially that it has become common practice.

YouTube is replete with videos of police brutality. Police have been videoed beating subdued prisoners, tasing people (even little old ladies) indiscriminately, shooting mentally challenged people they have been called upon to help, and killing people

caught committing non-capital crimes who try to escape (sometimes by shooting them in the back). Investigations to determine whether those officers should be held accountable rarely result in any punishment.

People providing forensic information in trials have been shown to have falsified evidence in ways that facilitate convictions. A recent report claims that “agents of the [N.C.] State Bureau of Investigation repeatedly aided prosecutors in obtaining convictions over a 16-year period, mostly by misrepresenting blood evidence and keeping critical notes from defense attorneys . . . calling into question convictions in 230 criminal cases.” Similar problems have been found with other forensic labs.

In Dallas, TX, a former prosecutor, Henry Wade, now deceased, has become infamous for having convicted a large number of innocent defendants. Dallas has had more exonerations than any other county in America; yet most requests for the retesting of DNA have been denied by trial court judges on the recommendation of former District Attorney Bill Hill, a protégé of Wade’s. Mr. Hill’s prosecutors routinely opposed testing. In addition to almost complete reliance on eyewitness testimony, a review of the Dallas County DNA cases shows that 13 of the 19 wrongly convicted men were black, eight were misidentified by victims of another race, investigators, prosecutors, and many of the juries in the cases were all white, police used suggestive lineup procedures and sometimes pressured victims to pick their suspect and then cleared the case once an identification was made, prosecutors frequently went to trial with single-witness identifications and flimsy corroboration and tried to preserve shaky identifications by withholding evidence that pointed to other potential suspects, and judges routinely approved even

tainted pretrial identifications. When Bill Hill, who said he was confident his assistants verified the accuracy of all eyewitness identifications was told his office prosecuted one of those exonerated, Mr. Hill said the two prosecutors on the case were incompetent holdovers from the previous administration. Terri Moore, the current DA's top assistant and a former federal prosecutor, said, "It's almost like it's the whole system. Everybody drops the ball somewhere, starting with the police investigation. And we just take the case and adopt what the police say."

Then there are those prosecutions that rely on the testimony of criminals who have been bribed to act as informants. Bribery is a criminal activity, and if a defense attorney were shown to have bribed a witness, disbarment would be the likely result; yet prosecutors commonly do it.

The preceding paragraphs limn an ugly picture, ugly indeed!

But the evil is not limited to local law enforcement. When officials realized that they can act with impunity without fear of suffering any personal consequences, the maxim, one must think like criminals to catch them, underwent subtle alterations. Now one must think like bankers to be able to regulate them. The same thing is said of stock brokers, oil men, and every other interest group. Everyone wants to be self-regulated. But self-regulation is nothing but a license to engage in criminal behavior. The whole system of governing becomes an oligarchy of old boys scratching each other's backs. Everyone knows just how well that works out.

Federal agencies, including the Supreme Court, are complicit, too. The Court violates the Constitution routinely. Remember the

decision validating the incarceration of Japanese Americans during WWII? Other decisions, perhaps not quite so obvious, can easily be cited. The FBI and Homeland Security routinely violate the privacy provisions of both the Constitution and the law, and the courts have failed to intervene. The CIA has become an official version of Murder, Inc., now even advocating the assassination of Americans living abroad who have been labeled “terrorists.” The agency has become the dispenser of vigilante justice, while Americans are told to never take the law into their own hands.

No one seems to realize that the war against evil by the good cannot be won using evil tactics. Evil never yields goodness, and by using these evil practices on the pretext of fighting evil, the amount of evil in the world increases both in amount and extent. Attempting to save a nation by becoming what you are trying to save the nation from is an act of national self-destruction; it is suicidal.

So how can the good be expected to fight evil?

Edmund Burke’s claim, “All that is necessary for the triumph of evil is that good men do nothing,” is often cited. Sounds good, doesn’t it? But the claim falls into the category of notions that Michael Faraday labeled “favorite ideas,” and he warned us to be leery of them. Think about it for just a minute. Are people who do nothing really good?

Anyone who has watched network television over the past decade has seen stories about people who have seen crimes taking place without ever intervening and people collapsing in the street without ever stopping to render aid. ABC News



currently has a series, titled *What Would You Do?*, that stages illegal acts in public places to see how unaware bystanders respond. Many do nothing. The implication of these stories is that there's something wrong with such people.

In fact, no one knows what the ratio of good to bad people in society is. Perhaps there simply are not enough good people to make a difference no matter what they do. But even supposing, as most people do, that the good outnumber the bad, few realize how hard it is for the good to fight evil.

Good people are repelled by it; they can never employ it even with the best of intentions; they know multiple wrongs never make right. So what are they to do?

They can, of course, rail against the evil. Some like the ACLU, the Innocence Project, and others file lawsuits, others expose evil by requesting documents through the Freedom of Information act and by becoming whistleblowers. Although all of these actions are worthwhile and often result in combating specific wrongful acts, they have little effect on the systemic evil that has been incorporated into institutional behavior. Good people seem to be limited by their very goodness. Is there then no hope? Can nothing be done to prevent the triumph of evil?

Some societies have developed benign and civil ways of dealing with it. Gandhi was able to use passive resistance to expel the evil British RAJ from India, but, unfortunately, the Indians were unable to use it to keep an evil local RAJ from acquiring control. Nevertheless, Gandhi demonstrated that passive resistance can work.

The Norwegians during WWII redefined the surname Quisling to mean traitor and thereby vilified Vidkun Quisling who assisted Nazi Germany after it conquered Norway so that he himself could rule. The term was later used to vilify fascist political parties, military and paramilitary forces and other collaborators in occupied Allied countries. If, as some claim, America is becoming a fascist state, “Quisling” can still be used today. Recently, Stephanie Madoff, daughter-in-law of Bernard Madoff, filed court papers asking to change her and her children’s last name to Morgan to avoid additional humiliation and harassment. Vilification by associating a person’s name with his acts and applying it to others who act likewise is an effective, benign way of attacking evil. In an earlier piece, I suggested that those who advocate war but deliberately avoid serving themselves be called Cheyneys.

The French Resistance, during and after WWII, shaved the heads of women caught consorting with German occupiers. These “shaved-heads” exposed their shame until their hair re-grew, and even later, others rarely forgot who they were. (Some would consider forcefully shaving a person’s head a battery which is illegal, but even so, it is a rather harmless battery.)

Primitive societies developed a whole range of benign ways of confronting evil, some of which are still in use today in isolated places. Ostracism, shunning, anathema, and social rejection have been used successfully. Then there are the more modern practices of boycotting and picketing.

But modern technological advances have made even other practices available. Imaginative uses of these tried and proven methods can be very effective.

For instance, most computer literate people are familiar with denial of service attacks used by hackers. A denial of service attack is an attempt to make a computer resource unavailable to its intended users. These attacks are a great nuisance, but often cause no real damage. No good person would recommend using such attacks, but consider the following situation:

People are routinely asked to write their congressmen to influence their voting on specific issues. These letters are usually delivered to Capitol Hill, perhaps causing congressmen some annoyance, but rarely enough to induce much real change. But what if the letters, written in civil language without threats, were sent to the residences of a congressman's parents, siblings, spouse, and children? What if the letters merely asked the recipient's to urge their relatives to consider changing his/her mind? What if thousands of letters were sent to these people? The annoyance would be enormous. If this were done to enough congressmen often enough, perhaps they would consider acting in more responsible ways or perhaps leaving office altogether. Denying miscreants of the convenient use of the proceeds of their actions could be a powerful tool.

This technique can be used against corporate officers and their governing boards, judges who routinely reduce the amounts jurors award plaintiffs, the police who are shown to have acted brutally, Justices of the Supreme Court who issue rulings that cannot be justified by normal readings of the Constitution, in short, anyone acting in an official capacity who has done a great wrong. Furthermore, the U.S. Postal Service needs the money. The establishment does not expect people to act in such ways; it expects them to use the normal established channels to express

their disapproval. But those established channels have long ago been shown to be ineffective.

All that is required to win the battle against evil is to find ways to make the lives of the miscreants miserable. No laws, not violence, not even punishment is needed. Annoy them, shame them, shun them, ostracize them, turn them into social outcasts, *personae non gratae*. Even if the good in society constitute only a minority, if the minority is large enough, it can succeed using such benign but annoying techniques.

The situation described above is only one of many possibilities. Imaginative people can conceive of others which can be equally effective. Think of ways of using the telephone, twitter, posters, and anything else in similar ways. The governing maxim needed is just make the miscreant's life miserable.

Unless such techniques are put to use, evil will prevail. Then, paraphrasing J. Robert Oppenheimer's comment after the first atomic bomb was successfully tested, We will have become evil, the destroyer of goodness.

## THE TRUTH ABOUT TAXES

So, you say, "No to ad tax" and "avoid damaging the economy." True enough! But the truth is trivial; it applies to everyone. If I had the money I pay in taxes in my pocket, a lot of Texas businesses would be selling quite a few more products. But alas, governments need money to operate, taxes will be paid, and the economy will be damaged unless personal income rises faster than the tax rate.

But taxes aren't the only culprit. Because of the political philosophy that is popular in this state, Texans can boast of having one of the lowest rates of per capita income and the highest rates on products and services that have little economic elasticity. There are few if any alternatives to purchasing them. This political philosophy has been named pro-business, but a little bit of arithmetic proves that it isn't.

Businesses thrive where people have large amounts of discretionary income to spend, not where they don't. When our elected officials--don't dare call them representatives--legislate the interests of highly lobbied industries, the dollars sucked out of the economy by these industries are dollars that won't buy products and services in Texas stores. And every product not bought is a profit lost to some Texas business.

What I find astounding is that the Texas business community has swallowed this political line even though I don't believe that that community believes that it can be more prosperous avoiding taxes than it can be selling products and services.

Except for the prosperity that came to some Texans from the oil boom, Texas has never been a very prosperous state, even though its political leaders have been putting this philosophy into practice for decades. If the Texas business community were thoughtful, it would evaluate a philosophy by its results, and if after decades of trying, no results materialized, it would conclude that the philosophy needs to be changed.

The upshot is that we've had the wool pulled over our eyes. What we believe to be a pro-business philosophy is in reality nothing more than a special interest philosophy, and if our business can't pay the interest, the political power structure will ignore them.

So if you like trying to do business in a low per capita income state, continue putting these rascals into office. But if you truly want to prosper, you'd better start looking elsewhere.

## THE UNRECOGNIZED CONSEQUENCES OF EUPHEMISM

To me, euphemism is a form of prevarication motivated by a fear of reality. Thus its use prevents one from seeing the truth and promotes the consequences of avoiding it.

Frazer, in the *New Golden Bough*, writes that "Taboos are applied not only to acts and objects but also to words. . . ." Primitive people think of a thing's name as an integral part of the thing itself. Thus, to use a thing's name while speaking badly of it in effect injures it. Likewise, knowing a thing's real name gives one power over it, for one can benefit or harm the thing by using its name. Refusing to use a thing's real name is an attempt to dissociate oneself from the thing's undesirable characteristics. So we refuse to speak the real names of many unpleasant bodily functions; instead we refer to them euphemistically.

The rise of politically correct speech is an extension of this principle. We refuse to use traditional ways of speaking of certain races and groups of people in an attempt to dissociate ourselves from the evil that has historically been perpetrated on them. And people generally view this as a positive trend. But they then tend to also dissociate themselves from the actions that inflicted the evil. To refuse to speak of the descendants of American slaves in traditional ways is an attempt to dissociate ourselves from the evils that were and often still are inflicted upon them. We also dissociate ourselves from the actions of society that inflict the evil and thereby absolve ourselves of any responsibility for it. Hiding the truth makes the truth go away. It's a nonreality that we don't have to bother ourselves with, and so the injurious actions continue to be applied and the world gets no better.

But this meager comment is not about such weighty matters. I want to write about Lovell, not really, just about what is euphemistically called making love.

Now love is the quintessential human virtue. Jesus tells us to love even our enemies. And God's love, manifested in forgiveness, is given to all equally. We are advised to love our neighbors, our parents, our children, our countries. And we assume that nothing but good can come of it, regardless of what the facts themselves reveal.

So when we call the act of procreation making love, who for heavens sake could ever be against it? When a teenager falls in love, isn't love making the natural consequence? By not calling the act of procreation by its real name, we have surrendered our power over it. By promoting the goodness of love and calling procreation making love, we have stripped procreation of its awesome responsibilities and consequences. And what is the result? I need not say. Everyone already knows.

But how would teenagers and perhaps adults too act if we called procreation by its real name. How does, Want to make love? sound when compared to Want to make a baby? One can easily say yes to the former and hell no to the latter. Yet they are one and the same. So if we want to avoid the unfortunate consequences of unwanted pregnancies, we might do well to start using straight talk and eschewing euphemism.

What other undesirable behavior is covered up with euphemism? Adultery becomes an affair although it often destroys families and injures innocent children most, greed becomes a striving for success even though it promotes neediness among others, bribery turns into campaign contributions even as it corrupts government the series is endless. I'm certain any reader can extend it.

So when euphemism is preferred to real names, the way we think about things changes; we disassociate ourselves from their adverse attributes and relinquish much of our control over them. When the words we use have unpleasant connotations, our



thoughts are focused on those, but when we use words with pleasant connotations, that focus is lost and so is our power to ameliorate evil.

## THE USE OF CREDIT SCORING BY INSURERS

Insurers want to be able to base rates on credit scores. The insurers claim that people with poor credit scores file more insurance claims than others and should, therefore, pay higher rates.

There are at least three major problems with this claim. Lets take the simplest first.

### Erroneous credit reports

Numerous studies have shown that a large percentage (up to 80% in some studies) of credit reports contain errors. But if credit scores are calculated from erroneous data, the scores calculated are also erroneous. So if insurers are allowed to base rates on credit scores, they are charging higher rates to people whose credit scores do not accurately reflect their true standing.

### Secrecy of the formulas used to calculate credit scores

I have read that the various credit bureaus use different formulas to calculate these scores and that the bureaus consider their formulas to be proprietary. But anyone conversant with even rudimentary mathematics knows that if you know a formula, you can make the result come out any way you wish merely by changing the terms on the opposite side of the equality sign. And you can do this as many times and as often as you wish.

For instance, say Credit Bureau A, has a special relationship with the insurance industry. Could be anything a pure business relationship which it values, ownership of stock in insurance equities, personal friends in the insurance industry, whatever. Now it calculates the credit scores for the people in its database, and examines the results. Someone says, "it would be nice if the results were ten points lower, wouldn't it?" And the person who programmed the formula into the computing device says, "Oh,

that's easy," and alters the formula. Then the scores are recalculated.

Now suppose that a year later, circumstances have changed, and someone again says, "it would be nice if the results were ten points higher, wouldn't it?" And again the person who programmed the formula into the computing device says, "Oh, that's easy, and again alters the formula.

Since the formula is proprietary and secret, no one outside the bureau ever knows. So the credit scores calculated could be the result of a mere whim of the people running the bureau. Why should insurers be allowed to use such scores?

Finally, and most importantly, the nature of statistical studies.

When I studied statistics, the nature of a statistical study was described as follows: First the statistician proposes a hypothesis (a null hypothesis in statistical language), say  $x$  causes  $y$ . Next he accumulates data on both  $x$  and  $y$  and analyzes it, using statistical techniques to determine if the two sets of data are correlated.

Now here's the clincher. If the data are not correlated, the statistician knows that his hypothesis is wrong and rejects it. However, what if there is a correlation? Can he conclude that  $x$  is the cause of  $y$ ? Not by a long shot!

Why? Because correlation is a many-one relationship. Any one thing has positive correlations to many other things, so no more importance can be assigned to any one correlation than to any of the others without more investigation.

Consider this example:

Smoking can be positively correlated to lung cancer.

Some genetic factors can be positively correlated to lung cancer.

Exposure to industrial pollutants can be positively correlated to lung cancer.

Exposure to some kinds of radiation can be positively correlated to lung cancer.

This is a many-one relationship. The trouble is, it does not tell us which one, if any, is the cause of lung cancer. None may be for all we know. And if someone makes the mistake of attributing causation to any one of them, he is committing the fallacy of confounding.

Confounding is a significant problem in statistics. Because of it, many researchers now replace the word cause with the words contributing factor . But even that assumes too much. Statistical texts are full of examples of published studies that were guilty of confounding. It is not a rare fault.

Are the statistical studies used by the insurance industry guilty of confounding? We don't know, because those studies, too, are proprietary and secret. They have never been subjected to objective analysis. So could these studies, if there even are any, be guilty of confounding? I think so. I can think of something that can reasonably be responsible for both low credit scores and a high number of insurance claims.

Think about inadequate income.

Certainly people with inadequate income can be expected to have a difficult time paying their bills and, thus, have poor credit scores. But why would they make more insurance claims?

There are two different groups of people who are subject to inadequate incomes. Let's consider them one at a time.

Some people, because of their stations in society, work for inadequate wages all of their lives. They live in rundown neighborhoods where crime is high. If they have home-owners or renters insurance, they can be expected to have more property loss claims. These neighborhoods often consist of houses that were built when older building codes were in force. Their construction may be of poor quality, and the homes may not be in good repair. These houses would be more likely to be damaged by severe weather another reason for insurance claims. These

houses are more likely to have outdated heating and electrical systems and be more fire prone. And the vehicles these poor people drive are apt to be older and also in disrepair, more dangerous, and more likely to be involved in accidents.

But not everyone with inadequate income falls into this group. Some people have inadequate income only for short periods, but they still end up with poor credit histories and poor credit scores. What can cause the temporary loss of adequate income? A family tragedy, a severe illness, the temporary loss of a job, being called to active duty from the National Guard or Military Reserves almost anyone can add items to this list. But these people may not live in run-down, crime-ridden neighborhoods, may not live in older houses in disrepair, may not drive older vehicles. And they may not file many insurance claims.

Nevertheless, if the insurers are allowed to base rates on credit scores, these people get charged higher rates too. Should they be? I don't think so. But shouldn't insurers then be allowed to base rates for the first group on their credit scores? No, I don't think so, for not all people in that group file many insurance claims, and life for those people is already hard enough. We need not make it harder by charging them higher insurance rates just because it makes making profits easier for insurers.

This little essay does not contain any information that is not generally known. So what is truly amazing is why lawmakers haven't banned this practice. Is the reason ignorance or perfidy?

## THINK TANKS OR STINK TANKS?

Journalists need to be careful when reporting on studies carried out by so called Think Tanks which are privately funded in order to grind axes. When these groups come across evidence that counters their beliefs, they merely ignore it. In this way these Think Tanks become mere Propaganda Purveyors whose intent is to mislead the people.

The Tax Foundation, for instance, regularly publishes its State Business Tax Climate Index. Texas always scores high on this index and the index is widely reported in Texas as though this ranking were a feather to be placed on our coonskin cap. However, if anyone takes the trouble to compare the index's rankings to the rankings of states by per capita income, not only do the data not support the view that business-friendly tax policies improve the economic well-being of the citizens of the states that adopt such policies, it contradicts that view. Generally speaking, the states with the least friendly business tax policies enjoy the highest per-capita incomes and those with the most friendly business tax policies have the lowest per-capita incomes.

Now the DBJ has reported on another Think Tank study Texas nabs top spot in national tort liability study (12/8-14, 2006). This study, done by the Pacific Research Institute, lists Texas, Colorado, North Dakota, Ohio, and Michigan as the top five states and Maryland, Pennsylvania, New York, Rhode Island, and Vermont as the bottom five. A look into my latest 2007 Time Almanac reveals that the average per capita income in the five top states is \$33,479.40 while that of the bottom five is \$37,328.80, and four of the bottom five states have higher per capita incomes than all but one of the top five states. Furthermore Texas' poverty rate,

averaged over the past three years, is 16.4 which is almost twice as high as the poverty rates in either Maryland (8.6) and Vermont (8.8). So although Texas may have policies that are favorable to business, it is clear that business does not have policies that are favorable to Texas. And Texans may want to ask, When will these friendly policies benefit them?

The piece also states that the study's authors claim that this allowed Texas to make great strides in growing its economy and providing jobs and accessible health care to its citizens.

Well, that's not true either, especially the last part about health care where Texas ranks last with almost 25% of its citizens uninsured while Vermont ranks fourth with a rate of 10.3% behind Minnesota, Hawaii, and Maine, none of which are on any list of business friendly states either.

Texas is a poor state by any standard. That's why the state's unofficial motto is, Thank God for Mississippi. Yet there is nothing physical in Texas that can be looked upon as an affliction that causes this condition. So the affliction must be mental. The majority of us holds beliefs that we refuse to test with evidence even though the evidence that proves those beliefs to be false lies right before our eyes. As long as that refusal persists, Texas will remain at the bottom of America's economic barrel.

## THREE QUOTATIONS THAT EPITOMIZE AMERICA'S FAILINGS

*"The business of America is business" (Calvin Coolidge).*

*"Without some dissimulation no business can be carried on at all"  
(Philip Dormer Stanhope, Earl of Chesterfield).*

*"He who permits himself to tell a lie once, finds it much easier to do it a second and third time, till at length it becomes habitual; he tells lies without attending to it, and truths without the world's believing him. This falsehood of the tongue leads to that of the heart and in time depraves all its good dispositions" (Thomas Jefferson).*

In this manner America has become depraved, and Jefferson knew it would happen when he wrote, "Merchants have no country. The mere spot they stand on does not constitute so strong an attachment as that from which they draw their gains." The corruption of the American political system by business interests, chiefly through its influence on the Republican Party, will go down in history as the cause of America's decline. Anyone who studies history critically knows that The East India Company was chiefly responsible for the decline of the British Empire, that the Bank of England continued to do business as usual with the axis powers during World War II, and that American companies today think nothing of transferring militarily useful technology and armaments to nations that do not have American interests at heart.

China, whose form of government we have opposed for the past six decades, has now, thanks to American offshoring, become our most powerful adversary. But it no longer needs to fight us on the battlefield; all it needs to do is sell its dollar holdings and stop buying U. S. Treasury Notes. The American economy will



collapse the minute China decides to do those two things, because Uncle Sam will then not be able to service his debt. America will have become a third-world nation.

## TOM DELAY AND SCALAWAG POLITICS

Invalid argument is the weapon of the ignoramus and the scoundrel. Its prevalence in America is testimony to the ignorance and lack of moral character of the people, for an educated and moral people would not allow such rogues and scamps to attain prominent positions in society. The extent of such ignorance is astounding, because many of the invalid forms of reasoning that are commonly used have been known to be invalid since at least four centuries before the birth of Christ.

Congressman Tom DeLay has now been indicted for a raft of political crimes. Of course, both he, his fellow defendants, and their attorneys, like most criminals, vociferously protest their innocence. There is nothing wrong with that, since everyone must be considered innocent until proven guilty, and I have no idea if what they have done is illegal or not. That should, and most likely will, be determined in a court of law.

However, the manner in which they profess their innocence proves conclusively that they are dishonest persons of odious character. They have launched a savage attack on the motives of the prosecutor, alleging that because he is a Democrat and they are Republicans that their indictments are the result of a political vendetta, and this allegation is nothing more than an example of an ad hominem argument, a kind of argument known to be invalid since 400 BCE. No honest and moral person would ever use such an argument.

What is worse is that these individuals know that this prosecutor has a long history of investigating, indicting, and often convicting corrupt politicians, and that most of the persons of this type that he has prosecuted have been Democrats; yet Mr. DeLay and his associates are not only engaging in this form of invalid attack, they ignore this prosecutor's prosecutorial history entirely.

A trial may be needed to determine the guilt or innocence of these persons in relation to the crimes alleged; however, no trial is needed validate the claim that they are consummate reprobates. They have convicted themselves.

## TRADE IS NOT MEANT TO BOOST ECONOMIES

*“There was free trade in Africa . . . before the colonialists came.” – George Ayittey*

Most everyone believes that trade is an unqualified good, but no one can identify any solid, concrete benefits it has produced in spite of the fact that it has been going on for at least five millennia. Throughout most of those years, it was all free trade, so trade agreements are not a necessary condition for trade. These agreements must have some other purpose.

When anyone asks, what’s wrong with expanding trade?, the answer is, the people doing the trading. In fact, trade has always been a nefarious activity that people are given a laundered version of, a version washed clean of its malevolent nature. But its evil nature is not difficult to identify..

The view of trade most people are familiar with is the Marco Polo version. Marco Polo loaded some European made goods on boats and then camels, I suppose, and trekked across Asia Minor to China where he swapped those goods for goods like fine silk and rare spices and hauled them back to Europe where they were sold for a huge profit. Other traders did similar things. But that is the sanitized tale. In truth, trading was dangerous and vicious. Traders often were subjected to extortion by the peoples whose lands had to be traversed. Other times these traders were merely robbed. And I suspect they did their share of cheating themselves whenever they had opportunities to. Honesty was not a word in a trader’s vocabulary! It still isn’t.

All this led to a search for safer trade routes. Routes by sea was an obvious possibility. Portuguese navigators sailed around the tip of Africa. Then Columbus tried sailing west from Spain and the world changed. He ran into an unknown continent where he found silver and valuable crops. A new age was awakened. Colonization was born.

It was a brutal age. Aboriginal tribes were exterminated and enslaved. Trade no longer involved swapping goods for goods, it became kill, conquer, and pillage. The word 'trade' came to mean plunder.

In the newly claimed colonies, plantation agriculture was developed to grow and harvest the newly found crops. But that farming required labor. So the "traders" went right to work. The British developed the procedure known as triangular trade. Ships laden with goods made in England sailed to Western Africa where they were swapped for human beings who were kidnapped in central Africa. The ships, when laden with people, sailed to America where the people were sold into slavery. Slavery in America was a consequence of trade. What a benign economic activity! It's still going on today. Ask a garment worker in Bangladesh. To many, free trade has come to mean free labor.

Those principally responsible for this abominable practice were Western Europeans, the people who resided in what was often called Christendom. These are the very same peoples who inflicted the holocaust on Europe's Jews in the twentieth century. Now, with the United States leading the way, they are trying once again to enslave the world. Free trade is the principal policy in the pursuit of internationalism. As Henry Charles Carey has said, "By adopting the 'free trade,' or British, system, we place ourselves

side by side with the men who have ruined Ireland and India, and are now poisoning and enslaving the Chinese people.”

Free trade agreements are always sold to the public with promises of an increase in exports and jobs. But they never deliver those promised results. Since 1985, the United States has entered into 20 free trade agreements. Instead of being boosted, the American economy since then has declined. Why haven't exports increased dramatically? Why haven't the jobs materialized? Part of the answer lies in the countries with which the agreements have been made. Eleven have been made with poor Latin American nations who were never likely to buy many American exports. Four are with small Muslim nations who are also unlikely to ever be large buyers of American made products. Why then has America sought trade agreements with them? What beside trinkets do they make that Americans want and what beside agriculture do Americans hope to sell them? In selling these nations agricultural products, whom are we creating jobs for? Migrant workers? That's not the kind of job creation Americans need!

An examination of what the US exports to Canada and Mexico demonstrates why NAFTA has never fulfilled its promise of increasing exports and jobs.

Motor vehicles, spare parts, and accessories are exported to both countries, but are offset by imports. The exports of these countries are a legacy of the policies which American car companies set up plants in Canada and Mexico whose products are shipped back and forth across the border, These policies not only did not create American jobs, they created Canadian and Mexican jobs instead. Aside from automotive related produces, the US exports

industrial and electrical machinery, plastics, and chemicals which are not products that ordinary consumers are ever likely to buy.

The US. exports of agricultural products to Mexico constitute the 3rd largest US agriculture export market. Just imagine the number of jobs for migrant laborers that has created. But wait! Those exports also put the small Mexican farmer out of business. What do you believe he did? His choices were stark. He could join a drug cartel or migrate to America as an illegal alien. Isn't that a boon to America? Come to think of it, the cross border drug trade is the largest free trade market America participates in. It involves no subsidies or tariffs. Any supporter of free trade must admire it!

As Michael Badnarik has says, "NAFTA and GATT have about as much to do with free trade as the Patriot Act has to do with liberty." Trade is an instrument of control. Mayer Rothschild is reputed to have said, "Give me control of a nation's money and I care not who makes it's laws." Give one country control of another country's trade, and the country whose trade is controlled will do whatever the controlling country wants. Such countries are ripe for extortion. Now that Mexico's small farmers have been eliminated, Mexico's supply of food is dependent on its relations with the United States. Tell it to fight our war on drugs inside its borders and it will regardless of how many innocent Mexicans are killed. America doesn't care about the murder of Mexicans! Or the murder of Muslims, Iraqis, Pakistani, Ukrainians, Libyans, Afghans, Palestinians or anybody else. America wants control.

Even Adam Smith knew that much good was never done by those who affected to trade for the public good. Free trade is the

principal behind internationalism. The establishment of free trade agreements is a critical and progressive step towards greater economic integration and the creation of a world government. Then that government comprised of Edi Amins, Pol Pots, George Bushes, Tony Blairs, and others will rule over a world enveloped in a new Dark Age. But the existence of such a government does not guarantee peace or prosperity, for killing, as it is now, will be the predominant problem solving device. Murder is not a solution to any problem; it exacerbates it.

Truth is like nature. It can't be altered without consequence. Like pollution, any lie is an affront to nature. Human beings cannot escape the consequences of their lies. Hitler told the Germans they were the master race. They mastered nothing. The Jews call themselves God's chosen, but what they have been chosen for is yet to be determined. America calls itself exceptional. Exceptional at what? Seeing wrong, being wrong, and doing wrong?

The nefarious nature that trade has exhibited throughout history has not abated. J. P. Singh writes,

"Since the foundation of GATT, the U.S. and Western Europe have manipulated the developing world on most trade measures. They have made lofty promises while creating imperial preferences for cheap products from the developing world in the 1950s, instituted quotas on manufactured imports like textiles that would have increased jobs and growth since the 1960s, provided tariff-free access in exchange for quantitative restrictions since the 1970s, ignored or side-stepped dispute settlements that went against their interests since the 1990s, enforced draconian provisions on intellectual property in this century, and hardly



made any progress on the 'Doha Development Agenda' that was launched in 2001."

You see, the cheating continues.

Marco Polo did not travel to China to boost the economy of Venice or create Venetian jobs; he did it just to get rich. When Apple imports its cellular phones from China, it doesn't care about creating American jobs; it cares only about profits. When Monsanto wants French farmers to sow genetically modified seeds, it does not seek to boost French jobs; it seeks only to sell seeds. All traders everywhere merely seek profits. As Adam Smith says, " I have never known much good done by those who affected to trade for the public good."

Traders want profits and empires want control. That's all there is to it, and it's called capitalistic free enterprise and has no patriotic, national, or social motives. It is not meant to boost economies or increase jobs. It never was.

## TWIDDLE-TWADDLE FROM THE CA[N]TO RUMPSTITUTE

Yesterday, the Dallas Morning News reprinted a piece on tax policy written by Daniel J. Mitchell, a senior fellow at the Cato Institute, which was originally published in Foreign Policy. Finding anything good to say about this piece is impossible. It should never have been written; having been written, no editor should ever have accepted it for publication; having been published, no permission should ever have been given for its republication. It is a quintessential example of the twiddle-twaddle that passes for scholarship and research in American letters. It belongs in the trash!

Before taking up the piece's argument, I want to point out the contents of the fourth paragraph: Mr. Mitchell writes, "When we think of tax havens, we tend to imagine yacht-besotted enclaves of shadowy . . . dilettantes . . . laughing about . . . tax loopholes. . . ." I am not certain what the referent of the pronoun we is, but I don't believe that Mr. Mitchell means himself and his friends. The only other alternative that I see is the use of we to refer to people in general. If that is the usage Mr. Mitchell has in mind, then the content of the paragraph is not anything he or anyone else could ever know. No thoughtful person would ever presume to know what "people tend to imagine when. . . ." A person who makes such presumptions reveals that s/he does not routinely make an effort to distinguish between what can be supported by evidence and what can not. So although what such persons write cannot be dismissed out of hand, since such dismissals would be ad hominem rejections, what they write must be given careful and acute evaluations.

Now to the argument.

Mr. Mitchell tries to make two points. The first is that very high tax rates "discourage saving and investment, stifling economic

growth. . . ." But what precisely does this mean? Although not justifiable linguistically, in our fiat-money, inflationary economy, the terms saving and investment have merged. One saves by investing or doesn't save at all. So what did those who had to pay taxes calculated on very high rates do with their money? Did they spend what they would have invested had rates been lower? If so, they increased consumption which is the main engine behind economic growth in the United States. So how could that have hurt the economy? Did they, perhaps, not spend it all? What, then, did they do with it? Light cigars? No, they surreptitiously hid their excess wealth in foreign tax havens, neither spending nor investing it in America and thereby not only did they do nothing to promote the American economy, in fact they injured it. No one who does that has either his nation or the nation's people at heart and is therefore a pure scoundrel. Not only does s/he deserve to be taxed, s/he deserves to be deported to the country in which the money is tax-sheltered. I wonder how many Americans would put their money in hidden accounts in Liechtenstein if they had to live there? (I would ask the same question of the principals of those American companies that think India, China, and other low-wage countries are such great places to manufacture products for American consumption. There is thus an analog to the old expression, Put your money where your mouth is. It might read, Put your body where your money is. And I wonder whether India or China would tax it.)

But Mr. Mitchell goes on: "Tax havens, by providing a safe refuge for people seeking to dodge confiscatory tax rates, have played a critical role in these positive [loaded adjective which means, in this context, illegal] developments. Better to get some revenue with modest tax rates, lawmakers have concluded, than impose high tax-rates and lose out." But I would then ask, why haven't lawmakers concluded that they should modestly tax all illegal

activity, turn a blind eye to the illegality, because it is "[b]etter to get some revenue than lose out"? After all, the two cases are exactly the same in form.

But the second point is the clincher. Mr. Mitchell writes, "High-tax countries complain that jurisdictions such as Lichtenstein enable tax evasion, but this sidesteps the point that lower tax rates and tax reform are a much better way to reduce tax evasion." I think not. A better way of reducing tax evasion would be to make the punishment fit the crime.

To reduce the debate about tax policy to a debate about tax evasion is to sidestep the real issue. Taxes are, after all, a government's only means of financing its activities. The only question that matters is whether taxation raises enough money to pay for the activities that the government deems necessary. Tax-rates don't matter in the least, since there will always be people who will try to avoid paying taxes. The European nations, which Mr. Mitchell uses as examples, all have deemed it necessary to provide their peoples with extensive social safety nets; ours hasn't. Those nations know that tax evasion makes accumulating the necessary sums more difficult, and they're climbing all over Liechtenstein and other tax havens for making tax-evasion easy.

Although the United States has not, perhaps it should. This nation cannot finance the maintenance of its infrastructure, it borrows the money it gives away in foreign-aid and the money needed to fight our wars in Iraq and Afghanistan, it can't find the money to rebuild New Orleans nor to adequately finance our frayed social safety-net. Worse, it may not ever be able to repay this debt. So although low tax-rates may be good for a financially healthy, creditor nation, they can lead to the nation's destruction if taxation cannot pay the bills. The European social democracies know that; our government, and their fraudulent advisors in America's stink tanks apparently do not.

## WESTERN CIVILIZATION AND CLASSICAL ECONOMICS: THE IMMORALITY OF AUSTERITY

When a civilization abandons its morality, no rationalization can be devised to justify its continued existence. It is likely that many reasons can be given for this abandonment in the Western world, although I am convinced that one predominates – the expansion of law. Law once governed various kinds of behavior. It has now encroached upon various kinds of speech and is even being applied to the realm of belief. When someone is accused of having done something wrong, the reply offered usually is something like, “What was done complied with all legal requirements.” But “right” has never been defined as “conforms to law,” because thoughtful people have long noticed that the law itself can be a great crime, and the worst criminals in a culture can be its lawgivers, as the people of Ireland, Portugal, France, Spain, Greece, and Great Britain are now finding out. Americans will soon find it out too.

Numerous critics of classical economists over the past two centuries have argued that it is immoral when judged by any of the recognized moral codes. Major aspects of it clearly violate the Golden Rule. It violates many, perhaps all, of the Ten Commandments. It conflicts with various teachings of Jesus. Aristotle’s Ethics can be used to demonstrate its viciousness. It violates Kant’s Categorical Imperative and Mill’s Utilitarianism. Yet some of its proponents continue to argue that *The Wealth of Nations* is not inconsistent with moral principles. Clive Cook and Gavin Kennedy recently made such a claim, but what they cite as evidence doesn’t withstand scrutiny.

First of all, they base the claim on Smith's earlier book, *The Theory of Moral Sentiments*, in which he argues that conscience results from observing the condition of others, generating sympathy, which then serves as the basis of moral judgments.

Although I have no doubt that different communities view this book differently, the philosophical community has generally considered it sophomoric. In my decades as a professor of philosophy, not once did I see the book included in the standard philosophical curriculum. Most philosophy professors I knew had little knowledge of the book's existence. So even if someone could cogently argue that *The Theory of Moral Sentiments* and *The Wealth of Nations* are philosophically consistent, that argument would have little bearing on whether classical economics is moral.

Smith has never been recognized in philosophical circles as a major thinker. As a matter of fact, he's hardly recognized at all. And even some economists have noticed the sophomoric nature of his thinking. One highly respected, renowned economist, whose name I shall let the reader guess at, said this: "His very limitation made for success. Had he been more brilliant, he would not have been taken so seriously. Had he dug more deeply, had he unearthed more recondite truth, had he used more difficult and ingenious methods, he would not have been understood. But he had no such ambitions; in fact he disliked whatever went beyond plain common sense. He never moved above the heads of even the dullest readers. He led them on gently, encouraging them by trivialities and homely observations, making them feel comfortable all along."

Yet Kennedy lists the elements of morality that Smith included in *The Wealth of Nations*. "[Smith] was no libertarian. . . . His idea

of 'natural liberty' was almost the opposite of what it is usually taken to mean (namely, 'do as you wish'). He was at pains in both books to emphasize the importance of self-control, of regard for the opinions of others, and of an expansive role of government in providing security, rule of law, and economic infrastructure. Way ahead of his time, he was even in favor of compulsory schooling." An interesting list, but not one that justifies the view that Smith's view of the economy is moral. A moralist would have expected to see something about poverty, hunger, and suffering, all of which are absent.

A serious, irrefutable proof of the immorality embodied in *The Wealth of Nations* and classical economics in general is easily devised.

Classical theorists like Smith aver that products derive their value from the labor that goes into producing them, and that labor, itself, is bought and sold. Wages, which are the price of labor, have a natural price which is the price needed to enable labor to subsist and to perpetuate itself without either increase or decrease. These dogmas are known as the labor theory of value and the subsistence theory of wages respectively. Some revealing implications can be derived from them.

First notice this oddity: labor produces products and the amount of labor expended determines their value. But labor is paid not the value of the products it produces but merely a subsistence wage. I defy anyone, economist or not, to justify that principle on moral grounds. Can Cook or Kennedy find an application of sympathy in this principle?

Second, the subsistence theory of wages describes a condition similar to that used by animal husbands in dealing with livestock. Classical economics treats labor as animal husbandry treats cows. Can treating a fellow human being as a farm animal ever be morally justified? Where is sympathy found in this? Working people, labor, those who create all the culture's wealth, are nothing but farm, factory, and when necessary, cannon fodder.

But economists will say that these aspects of classical economics are not paid much attention any more. Perhaps, but what economists pay attention to and what goes on in the economy are different things. The Wall Street Journal's report that 70 percent of people in North America live paycheck to paycheck demonstrates conclusively that the subsistence theory of wages is still being applied; our economists are just not honest enough to tell us about it.

If a subsistence wage is all that this economy pays working people, how would the culture determine how to treat those people not in the workforce—the aged, the infirm, and the handicapped, even the unemployed? Classical economics has no answer to this question because classical economics does not exist to provide for people generally. Classical economics divides the populace into two groups—capital and labor. Anyone not in one of these groups is somehow irrelevant, which explains why the President and other governmental officials always speak of the upper class and the middle class but never mention the lower class. Yet no one seems to notice that speaking of an upper and middle class without speaking of a lower class is meaningless.

The upshot is that if the dogmas of classical economics are applied consistently, there is no need for any people not capable



of functioning in the workforce. So, in keeping with this implication, Andrew Mellon, President Herbert Hoover's treasury secretary recommended that Hoover fight the depression by "liquidating the farmers, liquidating the workers, and driving down wages."

Of course, if this were openly advocated, the outrage would be uncontrollable and the system would be torn asunder. So this fact is obscured by the provision of "safety nets" that provide little safety, since what they are comprised of cannot exceed or even equal the subsistence wage. So Americans have social security which provides no security, unemployment compensation which is too meager to subsist on, welfare which is really illfare, and chancy access to healthcare at best. Yet those who promote this economy can, it seems, always find money to buttress business, create killing machines, and fight continual wars. What few seem to realize is that these consequences are logical implications of the dogmas of classical economics and come straight out of Adam Smith's *Wealth of Nations*. Livestock, when unneeded, are routinely shipped to slaughter.

The United States and much of the so-called Western World are wallowing in widespread budgetary and sovereign debt crises, and the world's financial elite are forcing many European nations into severe austerity programs much to the chagrin of European peoples. Some of these nations have been referred to by the acronym PIGS, which is apt since pigs are a species of livestock. So what we have, of course, is swineherds sacrificing their livestock for the benefit of the international financial community which cares nothing for people or even the nations they reside in. These financiers validate Jefferson's view that merchants have no

country. They also have no morality, not even a smidgen. Neither do the economists who promote this economy.

Signs that the American swineherds are preparing to abandon their own herd by imposing an austerity program on it are displayed in the report of Obama's Deficit Reduction Commission and the insistence of our Republican Congressmen that spending on "entitlements" either be reduced or paid for while spending on wars, foreign aid, and the military be allowed to continue and even increase without any provisions whatsoever for paying for them. The only conclusion that can be drawn is that warfare and foreign aid are necessary economic principals while the American people have fallen into that group of economically irrelevant people that those like Andrew Mellon would have the government liquidate. So the unemployed should be allowed to starve, and the ill should be allowed to perish—both of which principles are perfectly consistent with the "morality" of classical economics.

Yet the most difficult thing to understand is what the proponents of this economy believe the purpose of it all is. What is the goal of all of this destruction, suffering, and killing? Does it give them some kind of deranged pride? Does a banker really feel good when he is told his bank evicted hundreds of families in the past week? Does a general rejoice when he is told that dozens of the enemy and scores of his own troops have been killed in the battle just fought? Does a legislator drink a toast to progress when it is learned that hundreds of children in her/his district go to bed hungry each night? If so, what kind of human beings are they? If not, just what can they possibly be thinking?

All the moral codes mentioned in this piece are Western in origin; yet none now plays a role in how the people of this civilization behave. When a civilization abandons its morality, no rationalization can be devised to justify its continued existence. It is likely that many reasons can be given for this abandonment, although I am convinced that one predominates – the expansion of law. Law once governed various kinds of behavior. It has now encroached upon various kinds of speech and is even being applied to the realm of belief. If there is a single aspect of human life that is not now circumscribed by law, I do not know of it. So when someone is accused of having done something wrong, the reply offered usually is something like, “What was done complied with all legal requirements.” But “right” has never been defined as “conforms to law,” because thoughtful people have long noticed that the law itself can be a great crime, and that the worst criminals in a culture can be its lawgivers, as the people of Ireland, Portugal, France, Spain, Greece, and Great Britain are now finding out. Americans will soon find it out too.

## WHAT DOES INVESTMENT ADVICE AMOUNT TO?

As a person with a scholarly background, I tend to read almost everything that comes into my hands, and as a person who spent 20 years teaching logic in all its forms (informal, formal, mathematical, propositional, two-valued, three-valued, many-valued, modal, etc.) at a major university, I find much of what I read to be absolute nonsense. Among the pieces that I put into that category are those that provide investment advice, and although I have been tempted to write some investment advisor about these pieces many times, I have always put it off on the belief that it will only fall before blind eyes. But given the economic situation in America today, I've decided to give it a shot.

Although I do not know what the object of advice given in columns such as yours is, I'll assume (kindly) that it is to show people how to save enough during their working years to enable them to maintain their standards of living in their retirement years. (I'll not mention a long list of unkind assumptions.)

When I read these articles a number of things always bothers me. First is the high reliance of averages. Any reputable elementary statistical textbook will emphasize that the average is not only not a good way to characterize a set of data, it is the worst way. Even a simple median is far better, but far less that adequate. The average, after all, is often a mythical figure which matches no single element in the set. So any conclusions about a data-set based on averages cannot possibly tell anyone anything of importance.

Second is the fact that such pieces rarely define the data-set. Is it the Dow Jones Industrials (a mere 30 companies), the S&P, or something else, like one specifically selected by the writer as, for instance, your large capitalization common stocks. None of these

strike me as examples of the kind of random sample any good statistical analysis would require.

So what do we now have? A bad method of analysis based on a biased sample. You want to give advice to people on the basis of that kind of data? If so, you're intellectually dishonest.

Third is the matter of yields. Are these yields in real or inflated dollars? It makes a significant difference. A person who seeks to maintain a certain standard of living must make the calculation on the value of the dollars at the time of his decision to begin investing. And he then calculates what he will need at retirement at the current value of the dollar, not the future value, which he can never know. So even a person who exercises care in his planning is involved in mere guesswork, unless he does the calculation regularly like month by month, quarter by quarter, or whatever, and he has no way of knowing what the optimum recalculation period is.

Fourth is the use of the expression long term. Telling a person that he must view investing over the long term is like telling a person that time heals all wounds. Unfortunately it doesn't stem the bleeding or alleviate the pain. The whole idea of investing for the long term is patent nonsense. No one ever does it. People invest in the hope of having a specific amount of wealth at a specific time, viz., retirement. It's always a set number of years; never an indefinite long term. So what the hell are you guys talking about when you use this expression? What are you peddling?

Consider the article you published in this morning's Dallas Morning News. Look at what you said about the effects on retirees: "If you're already drawing a retirement income, there is a single impact--the effect of your withdrawal rate. The higher the rate, the greater the damage you'll do to your long-term future. (My emphasis.)" What long-term future? The poor guy's already

retired! Everything he's done since he began investing to be able to maintain his standard of living when retired, even if he's done all the things right that investment advisors recommend, has failed. The poor guy has been screwed. He missed his goal. He did all of those calculations, made all of those investments, deprived himself of stuff to be able to do so, etc. and came up short.

You and I are obviously different. I would hang my head in shame if I made money off of giving advice to people that often leads to such results.

Now don't get me wrong. I don't object to investing in the market. As a matter of fact, I even do a bit of it. But I know it for what it is. Simple wagering. It's not much different than going to Shreveport or Las Vegas or playing the Texas Lotto. All your advice amounts to is an attempt to find a method, like card counting. People who retired slightly more than a year ago, hit the jackpot. People who need the money today may have picked up a handful of quarters, but not enough to meet their needs. And to now tell them to wait fifteen more years just won't do. Most will, as Keynes pointed out, be dead.

So what is the upshot? I have no objection to investment advice. But it should always be prefaced with the disclaimer that all investing is merely a form of wagering and even if you follow all the best known practices, you may never win. Without this disclaimer, you can easily be accused of trying to pull the wool over peoples' eyes.

## WHAT IF ANYTHING DOES THE STOCK MARKET MEASURE?

Many people, observing the stock market's performance recently, find it perplexing. Although the economy shows signs of being in decline, the market is acting bullish. How can that be?

Decades ago, some people claimed, with some plausibility, that the stock market measures investors' expectations. To many, I am sure, those expectations were mere wishful thinking. But when people had to decide piecemeal whether to purchase market equities, the claim may have had a tincture of truth. Those conditions, however, no longer exist.

Since the introduction of certain types of investment plans (often erroneously called savings or retirement accounts), fixed amounts of money enter the market at regular intervals, if not daily, without any conscious decision by individual investors. This new money comes into the market whether the market has risen or fallen on the previous day. So if the market falls on one day because of bad economic news, the next day brings an influx of new buy money. In past decades, the entrance of new buy money into the market after a decline was uncertain at best; today it is a certainty. So the effect of these automatic investment instruments is to send more money in pursuit of a fixed or even a sometimes declining number of assets, which is a classic example of demand exceeding supply. The result, of course, is overvalued stocks, a stock market bubble.

Although automatic investment instruments have been sold to the Congress and the public as a way of increasing savings and supplementing retirement funds, in truth, their real intent is to

prop up the value of equities, as is demonstrated by the failure of these plans to actually increase the American savings rate. These plans are not and never have been created for savings or retirement. Their sole objective is and has been to allow the rich to get richer by scalping the poor. Until the introduction of these automatic investment instruments, the rich had to scalp each other.

So what do stock market values really measure? The answer, I'm afraid, is greed.



## WHAT MARKET HISTORY TEACHES ABOUT PRIVATE INVESTMENT ACCOUNTS

Georg Wilhelm Friedrich Hegel writes, in his *Philosophy of History*, that, "What experience and history teach is this that people and governments have never learned anything from history, or acted on principles deduced from it." Yet it is clear that history teaches many lessons.

We can learn one lesson that history teaches that is pertinent to the President's plan to open the Social Security System to private investment accounts. Such a plan can only be explained by some kind of eternal faith in the stock market and an ignorance of the market's history.

In August, 1929, John J. Raskob, Chairman of the Democratic Party, wrote, "If a man saves \$15 a week, and invests in good common stocks, at the end of twenty years he will have at least \$80,000 and an income from investments of around \$400 a month. He will be rich."

Two months later the market crashed to begin the Great Depression, which only World War II put an end to.

## WHAT'S WITH OVERVALUED STOCKS?

Even after the drop in stock prices that came with the bursting of the technical stock bubble, many analysts still consider many equities overvalued. This anomaly requires an explanation, but I have not heard anyone provide one. So perhaps I can.

In a previous posting titled, Continuous Income Pricing , I wrote that "We are told that IRAs are the key to financial security in old age, and these accounts are sold to us on the basis of average returns of the market over selected periods of time. The model is simple. You make regular contributions which are sometimes matched by someone else, say, for instance, your employer. These funds are then deposited into an account at a brokerage where they are invested in the market. When you reach retirement age, you can then supplement your other income with regular disbursements from your account. All of this seems straight forward enough, but it isn't. . . . So this, too, is a scheme that guarantees the investor nothing, but guarantees a steady flow of money into the market, where shrewd brokers and professional investors have an opportunity to relieve you of it. And you can be certain that they will if they can."

Congress has created Individual Retirement Accounts of various types in recent years, and many companies have used these in various ways to replace the company funded retirement plans what were once the norm. As a consequence, numerous people, who otherwise would not have ventured into the market, now not only do so, but do so monthly. The aggregate amount of these investments must be enormous. So the rules of the market which are based on past history have now been upset, since there is now considerably more money chasing stocks than there was before the introduction of IRAs. But the introduction of IRAs did not bring with it a corresponding number of new normal business

ventures, although it may have contributed to the bubble in the technology sector.

The result, of course, is more money chasing a relatively static supply, and that increase in demand was bound to push stock prices higher than their valuations would be under traditional terms. In short, IRAs may have created not only the technical sector bubble that burst, it may very well have created a somewhat permanent bubble.

If the American economy does not sustain this the amount of IRA money being invested, this bubble too will burst, and when it does, the losses to individual investors will be magnified by the size of the bubble.

What passes for traditional economics may have been stood on its head, and uncounted economic rules based on past data may now be completely invalid.

## WHO SHOULD PAY FOR HIGHWAYS?

A form of neglected argument exists which could be used to successfully put an end to many social controversies. It is argument by analogy. This form of argument can also be used to display the unfairness of policies and the inconsistency of social and economic policies.

Consider, for instance, the following truths.

Telephone companies provide a product and a service to people. This service requires an infrastructure which the companies themselves must build and maintain.

The railroads also provide a service that requires an infrastructure, and the railroad companies themselves must build and maintain it.

Cable and satellite television both require infrastructures, and the companies providing these services must build and maintain their infrastructures.

So, in general, most services require infrastructures, and the companies that provide these services are also responsible for providing and maintaining them.

There is one major exception; however, and except for citing historical accident, there is no reason for its being an exception. That one exception is the motor vehicle transportation system. This industry provides products and services that require an extensive infrastructure; yet they are not responsible for either building nor maintaining it. Why should that be?

Here we have an entire industry that is not just subsidized by the public but entirely dependent upon the public's provision and maintenance of the infrastructure without which this industry could not exist.

When one thinks about it, this is very strange, completely illogical, and an immense burden of the public. Yet no one questions it. Do our heads go empty when it comes to cars?

## WHY AMERICANS DON'T SAVE

Much has been written over the past several months about the low saving's rate of Americans; yet little has been written about the obstacles to saving that have been put in place. The Dallas Morning News, on the 10th of August, ran a piece under the headline: Middle-class security displaced by uncertainty. The piece begins with the following sentences:

Until recently, being middle class in America meant a measure of security: a chance to get ahead and, hopefully, a leisurely retirement.

That security is eroding.

Even as pay raises have been limited, some household expenses . . . are skyrocketing. Meanwhile, employees are taking on more responsibility for health care expenses and funding their own retirements. . . .

Many families struggle to make do even as they continue to earn more. It takes a delicate balance to make ends meet. . . .

I find it strange that no one in the economic community has come forth with criticism of the American economic practices that have led to this situation, for the economic consequences are huge. An economy that depends upon consumption for almost three-fourths of its GNP cannot prosper if both the lower and middle classes struggle to make ends meet. There are no conditions under which those people can be big spenders.

But, you know, there is something even odder about saving in America. The word save is classified with words such as preserve and conserve. It means to keep free or secure from injury, decay, destruction, or loss (Merriam-Webster Dictionary of Synonyms). But all forms of saving in America involve risk, which is defined as the chance that an investment will shrink or not grow. Saving in America does not secure your money from decay or loss. Even

bank certificates of deposit are subject to the risk of loss because of inflation. Americans simply have no vehicle for genuine saving. All the forms of saving available are risky and thus are a form of wagering rather than genuine saving. That no economist seems to have pointed this out baffles me, for logically it involves an absurdity.

Currently, an investment such as a certificate of deposit loses value as inflation increases, and Americans are told to put aside savings today for use on some future date. But what one puts away today will buy considerable less on that future date. Some of the investor's savings will have simply disappeared.

But now consider this analogy. Suppose we had an economy in which inflation was non-existent. In this economy, the money you save today will have the same value a year from today, five years from today, etc. Now suppose someone, an economist, broker, government official, told us that we should withdraw a certain amount of money from our savings at regular intervals and destroy it so that its purchasing power could not be utilized. Wouldn't we all question his sanity? Wouldn't such a suggestion be absurd? Yet this absurd advice has been built into all the saving vehicles available to Americans. In America, no one saves for his/her future; he/she gambols for it. In America, saving provides no security. As Tom Hertz, a professor of economics at American University, has put it, "The volatility, the instability of economic life, has increased, fewer people are moving ahead, and a lot of people are feeling insecure, as indeed they should!"

And who benefits from this? Certainly not the investor.

Think carefully about inflation, which can be defined as increasing prices. There are three scenarios for it: First, prices and wages go up commensurately. On the whole, no one gains. Second, wages are increased at a rate larger than prices. The wage earner benefits, but this kind of inflation is rare indeed but is the

basis of a booming economy. Third prices are increased at a rate larger than wages. The seller benefits, which describes the most common scenario that is the basis of a recessionary economy.

So now we have this situation. Inflation benefits the seller and injures the investor and buyer. Not a happy situation. (Yes, I realize that I am ignoring the increased value of investments based upon returns. But since returns are never guaranteed, I am working with the pure logical case.)

To correct this situation, a vehicle for genuine saving is needed, one that is not subject to risk. Such a vehicle would not be difficult to create. Take bank certificates of deposit, for instance. Such deposits could be adjusted regularly to preserve their real dollar values and could earn a modest but secure return. The banks holding these deposits could use them in risky ventures just as they do now. But that kind of use of the holdings would be the banker's choice, with full knowledge of the risk which he should bear all of, since it is his choice.

I suspect that we would see a lot more saving, experience a lot less insecurity, and build a secure and growing economy if such a vehicle were available.



## WHY TRICKLE-DOWN NEVER WORKS

When people think about the economy, they usually think about the stock and commodity markets, the companies they work for, and the companies they do business with. Economists concern themselves with this economy, and they claim that when left to itself, it is self-regulating. "Laissez faire et laissez passer, le monde va de lui-même!" so they say, and they advocate scant if any government intervention or regulation. The invisible hand needs no muscle. But this economy is only one class of economic activity at work in society.

Fraud and embezzlement are economic activities. So are organized crime, robbery and burglary, the distribution of controlled substances, counterfeiting and pirating products. This class of economic activity is huge, but not even the most extreme libertarian would advocate that it be allowed to go on without governmental intervention and regulation.

But why not? If economics, as most economists claim, is a science based on natural laws, shouldn't those laws work in exactly the same way on all economic activity? Don't the laws of physics work on all physical activity, for instance? Shouldn't economists have to explain why the invisible hand works on the legitimate economy but not on the illegitimate one? And why haven't they? Is it because they know the invisible hand doesn't work anywhere?

For instance, within a year or so after the introduction of quartz watches, the one I had needed a new battery, so I took it to a watch repair shop. Since the introduction of quartz watches was recent, many people still had spring-driven watches, and repairing those made up the largest part of this repair shops' business. The repairman, after replacing the battery in my watch, told me that my watch needed cleaning, which of course, was a

bald-faced lie, since quartz watches have no moving parts. Nevertheless, I asked what that would cost, and he quoted a price that almost equaled the watch's value. I smiled and told him that I'd think about it.

The repairman was dishonest. Who knows how many other quartz watch owners he hoodwinked? There was little likelihood that he would be exposed, and without that exposure, he could remain in business forever. In cases like this, the invisible hand is the hand that picks the pockets of customers.

In order for the invisible hand to extirpate the weeds of business from business' elysian field, the cheating has to be obvious and extensively promulgated, and it rarely is. The Sharper Image Ionic Breeze air cleaner was tested by Consumer Reports and found to be ineffective. Sharper Image sued Consumer Reports and lost. Yet Sharper Image is still selling the Ionic Breeze. Even the publication of Consumer Reports and press releases about the trial was not promulgation enough to keep Sharper Image's hand from picking pockets. So even in the legitimate economy, the invisible hand, without muscle, is a weakling.

Yet there is something more important about this bifurcated economy that becomes obvious when one thinks about why economists make claims about the legitimate part that do not apply to the illegitimate part.

Alan Greenspan in *The Age of Turbulence* has a chapter on *The Universals of Economic Growth*. In it, he cites John Locke's *Second Treatise on Government* and Locke's triad of natural rights to which he claims that all people are naturally entitled--life, liberty, and property. Greenspan writes, "The presumption of individual property ownership and the legality of its transfer must be deeply embedded in the culture of a society for free-market economics to function effectively."

Both John Locke and Adam Smith lived in England during roughly the same era. Unfortunately neither pointed out that property ownership was not open to everyone. It was held principally by the peerage, the upper class, so that Locke's natural rights were hardly universal. When he advocated government that protected the natural rights of life, liberty, and property, he was advocating government which protected the wealthy from the poor. And although notions of property have been expanded over succeeding centuries, the basic principle has not. The principle is what explains the bifurcation of economic activity into the two classes of legitimate and illegitimate. The illegitimate economy is subject to control merely to protect the property of haves from the property-less, and the legitimate economy is scantily regulated so the haves can pick the pockets of the have-nots. That sentence defines the essence of a free-market economy.

## WRONG-HEADED IDEAS

Interesting ideas can often be just as wrong as absurd ones. The idea upon which *Why Socialism Won't Die* (Sunday, May 21, 2006) is one of them.

The piece cites Peruvian economist, Hernando de Soto, as having said, the failure of the various socialist experiments of the 20th century has left mankind with only one rational choice about which economic system to go withnamely, capitalism. A strange statement from a Latin American! The predominant economic system in Latin America over the centuries, with the exception of some aberrations, has been the capitalist one. Yet, it has failed to promote the welfare of Latin Americans just as markedly as socialism failed to promote the welfare of the peoples of Eastern Europe. So along comes Lee Harris, the author of *Civilization and Its Enemies*, who expropriates Georges Sorels notion that just as the Christians life is transformed by the myth that Christ will return and usher in a perfectly just end of time, the socialist adheres to the myth that one day socialism will triumph , and justice for all will prevail. Mr. Harris then contrasts this to the absence of such a motivating myth for capitalism.

Interesting, to be sure, but he fails to ask the deeper question, Why is no such myth associated with capitalism? The answer is obvious and provides a completely different explanation for why socialism won't die.

Not a single one of the great moral systems that have been expounded can be used to justify capitalism, because it is immoral at its core; it functions on lies and fraud and exploitation.

It was no accident that *Caveat emptor!* became the buyers' maxim as early as the year 1523. That sellers were cheats was common knowledge even then. And I need not trouble anyone with an exposition of great moral theories. Just the Bible will do.

Six days thou shalt work, but on the seventh day thou shalt rest. . . . Sellers never rest, certainly never on Sunday.

Thou shalt not steal. Yet fraud is abundant.

Thou shalt not bear false witness. . . . Yet marketing is a web of lies, which we justify by calling them puffery. Yet if a person puffs up his resum, it is considered a heinous offense justifying dismissal, while businesses can puff up their product claims and be rewarded for it.

Thou shalt not covet thy neighbor's house . . . nor anything else that is thy neighbor's. But isnt' everyone out to get the other guy's money?

Crime, poverty, exploitation, vice, and every other sort of evil live long and well in capitalist economies. Look at what happened in the former Soviet Union. Russian criminals have now extended their reach world-wide. Look at what passes on the Internet. Look at the scandals Abramoff, Enron, MCI, and others. Remember William Henry Vanderbuilt's, "The public be damned!" And compare American business practices with the text of Leviticus 19 11-17.

It is, of course, very strange, that the so called protectors of American morality manage to compartmentalize all of this Judeo-Christian scripture which they claim to believe in absolutely when it comes to judging our free wheeling capitalist economy.

So the idea of socialism will not die until mankind's yearning for honesty, truth, and justice prevail, and no economic system that thrives on lies, fraud, and exploitation will ever develop a justifying myth that mankind will accept. In truth, rationally, capitalism is a hopeless case. Greed alone is what motivates its acceptance.

Readers of Georges Sorel know that his writings were tinged with too much religious belief, and it seems that the ideas of Mr. Harris are tinged with too much economic propaganda. Capitalism may

produce a proliferation of products and choices, but it does it at an enormous human cost. For the sake of greed, capitalism grinds up people as Americans are again soon to find out. Of course, capitalism can be reformed! But when reformed, it wont work nearly as well.

## YES WE CAN OR NO WE CAN'T?

ABC News reports that in 2006, the U.S. and other international donors spent more than \$10 million to create what was meant to be a sort of Emerald City, in New Qalat City, Zabul Province, Afghanistan.

"A new hospital. A new governor's house. A fire station. A justice center. A visitor's center. A cultural affairs building. Today, nearly all of those buildings are empty and crumbling. The power director's building has no water, so nobody works there. The hospital is collapsing, reeks of urine, and its equipment lies unused since the staff was never trained on it. The governor's house has no security and he refuses to move in. And the fire station was never going to be filled. Qalat has never had a single firefighter. . . . Building New Qalat City was like 'giving them a fishing pole and a boat without telling them what fishing was,' said one member of the Zabul Provincial Reconstruction Team."

A ten million dollar Afghan flop! But why is anyone surprised?

On August 27, 2008 Vice President Dick Cheney visited the Republic of Georgia after the White House announced a \$1 billion economic aid package for the country to help Georgia rebuild. As I also understand it, the United States is also pledged to contribute to the rebuilding of Iraq.

So the United States is funding foreign wars and pledging to fund the rebuilding of the countries being destroyed but in four years, Americans have been unable to rebuild the destruction hurricane Katrina inflicted on New Orleans. Worse yet, America's own infrastructure is crumbling.

In May 1999, USA Today reported, "It will take more than a trillion dollars to upgrade roads, bridges, mass transit, airports, schools, dams, water purity, and waste disposal facilities in the next century." The American Society of Civil Engineers gave letter

grades to America's Infrastructure. The U.S. was given an average grade of "D." The worst grade went to schools, which received an "F." The best grade was given to mass transit, which was rated a "C." Hazardous waste and roads got a "D-"; drinking water and dams a "D"; wastewater a "D "; and bridges, solid waste, and aviation a "C-."

Isn't it gratifying to know how generous our government is? Has anyone asked what America will look like by the time we have rebuilt these foreign lands? Will there be an America left worth saving?



## **II. FREEDOM & DEMOCRACY**

## 20-20'S JOHN FOSSIL (SIC)

Last week, ABC announced that John Stossel is leaving 20-20 for a position at Rupert Murdoch's Weasel News. Perhaps that's where he and all weasels belong.

Some week's ago, I sent the following message to his e-mail address. It was deleted unread. Apparently John reads messages from only people he knows. The message's text follows:

John Stossel, ABC's preeminent 20-20 video journalist, is as shallow as the water in a rill that has not been rained on in a fortnight. Last week he filled an hour with pure right-wing propaganda based on a selection of governmental actions that have not, to say the least, been beneficent in order to justify an unstated but implied conclusion that governmental attempts to ameliorate malevolent conditions should be curtailed if not entirely prohibited so that people could be left alone to solve their own problems. Ah, if only they could!

Although his examples of governmental ineptitude ring true enough to gain the assent of many people, the conclusion John draws is a gigantic non sequitur.

Indeed, bad governments do bad things. So do bad surgeons. But the fact that bad surgeons injure, maim, and often kill patients, doesn't mean that surgeons should be limited to performing only minor procedures or that surgery should be eliminated. Eliminating bad surgeons is the best way of curtailing the injuries and deaths bad surgeons inflict. The same conclusion holds for bad government. No government is not a solution to bad government; good government is. Would John deny that bad journalism doesn't have bad consequences? Wasn't bad, yellow journalism the cause of the Spanish-American War, perhaps even the current wars in the Middle East? Should journalists then be

limited to merely reporting events objectively? If so, John's out of a job.

But John and most mainstream economists have an unreal view of economies. What would one say of meteorologists who claimed that the laws of meteorology apply to all weather conditions except tornadoes and hurricanes? What kind of meteorology would that be? Yet John and most mainstream economists totally ignore a vast amount of economic activity about which they have no qualms about governmental attempts to regulate, curtail, and even eliminate. Burglary, robbery, purse-snatching, fraud, the manufacture and sale of so called illegal substances, loan sharking (except when done by banks), prostitution, bribery: all are economic activities. But somehow or other, the invisible hand which is supposed to keep the economy honest without governmental regulation doesn't apply to this hidden, underground economy. How come? Isn't that just like saying that the laws of meteorology don't apply to tornadoes?

Although the evil, greedy, lying, and corrupt may populate government, such people exist in all human endeavors. There is no reason to believe that the proportion is greater in government than in business or (do tell) journalism or the Cosa Nostra. If someone truly believes in liberal and neoliberal free-market economics, shouldn't all of these be unregulated? Shouldn't all be left to the invisible hand?

But the truth is that the invisible hand is the hand of a pickpocket, and it should be treated exactly like we treat ordinary pickpockets. Of course, bad government is unlikely to do that, but no government won't do it either.

And finally, John, a propagandist is not an honest man. Although everyone (perhaps) is entitled to his own opinion, no one has a right to present it as fact. Not even you.

## ABC'S NIGHTLIE

On June 30, ABC's Nightline ran a featured story about how 26-year-old Neda Agha-Soltan became the symbol of Iran's struggle which can serve as a paradigm for the big lie.

The death of Neda Agha-Soltan is tragic, of course, and should be lamented by everyone, but using it to cast aspersions on the government of Iran is nothing more than disingenuous propaganda. No one knows who shot her. Nightline made the shooter out to be a supporter of the government, but until the shooter is identified, that claim has no justification. Yes, she may have been shot by a supporter of the government, but she may have been shot by someone just like John Allen Muhammad, the Beltway sniper. She may have been shot by someone paid by Mossad or even the CIA. She may even have been shot by a supporter of Mir Hossein Moussavi who needed a martyr for his cause celebre. Nobody knows!

Of course, Nightline implied that tragic events like this only occur in nations with authoritarian governments, those governments that make up an axis of evil. Such events could never occur in America, a virtuous, humane, constitutional democracy that guarantees its citizens the rights to peacefully assemble and to petition the government for a redress of their grievances. So, I presume, the brutal suppression by U.S. Army troops under the leadership of Douglas MacArthur and George S. Patton of the Bonus Expeditionary Force of 43,000 veterans and their families in 1932 never took place. And I presume that Alabama's suppression of the Birmingham campaign in the early 1960s never happened either. And, of course, there is the infamous May 4, 1970 massacre at Kent State in which the Ohio National Guard killed four and wounded nine anti-war demonstrating students. I presume, too, that it never happened.

No one knows who shot Neda Agha-Soltan, but we know who Douglas MacArthur, George S. Patton, Eugene "Bull" Connor, and the members of the Ohio National Guard were; yet none ever bore any consequences for their actions. Why? Because in America, things like that just don't happen, and when they do, we merely erase them from our minds and history. So the truth becomes a lie and the big lie becomes the truth.

That nightline would so blatantly promote this big lie is proof that America lacks a mainstream press. What it has is a mainstream cess, as in 'cesspool.' What is most troubling, however, is that none of the self-proclaimed journalists who work in this cesspool displays any shame. They all deserve to be flushed. As America slides into third-world status, America's mainstream journalists will have to bear much of the responsibility for it but they won't take it.

Before the piece ran, the anchor, Terry Moran, I believe, warned that it was "disturbing." Indeed it was but not in the way that Mr. Moran meant. It disturbed me enough to post this piece.

## A NEW LOOK AT LINGUISTIC ANALYSIS

Wittgenstein's votaries embrace the sentiments expressed in the Investigations as ardently as a young violinist might grasp a Stradivarius:

. . . we may not advance any kind of theory. There must not be anything hypothetical in our considerations. We must do away with all explanation, and description alone must take its place. And this description gets its light, that is to say its purpose – from the philosophical problems. These are, of course, not empirical problems; they are solved, rather by looking into the workings of our language, and that in such a way as to make us recognize these workings: in despite of an urge to misunderstand them. The problems are solved, not by giving new information, but by rearranging what we have always known. Philosophy is a battle against the bewitchment of our intelligence by means of language.

Thus speculative and normative philosophy is abortive at best and befuddling at worst; its weapons have proven to be but wooden lances and plaster swords in its battle against ill-advised human ideals and apparently irrational human experience, and the battlefield litter has cluttered men's minds. Now, only the use of linguistic paradigms by analytical philosophers can remove this rubbish by rearranging the knowledge in those minds befuddled by the dreams of traditional philosophers, for the battle against the bewitchment of our intelligence is to be fought only with words by an army whose sole weapon is description.

What the analytical philosophers apparently forget, however, is that just as the trunk, branches, and leaves of an oak imply the

existence of hidden roots, statements have implications which are sometimes philosophical. Consider, for instance, the word 'truth.' That there are three prominent philosophical definitions of it, all advanced students of philosophy know. Each of these theories can be understood as a logical consequence of certain philosophical statements. Advocates of the correspondence theory, for instance, state that truths match reality while falsehoods mismatch it; true statements picture facts and true ideas mirror objects while false statements and ideas are distorted images of facts and objects. Man when imbued with truth becomes nature's dressing table in whose mirrors are to be found images of what is while when imbued with falsehood becomes a carnival's fun house in whose mirrors are to be found grotesque reflections. This definition is dualistic, for both a thing and its image are postulated, and since epistemological dualism is the philosophical proposal that a numerical difference exists between the content immediately present to the knowing mind and the object known in non-inferential cognition, this proposal implies such a dualistic definition of 'truth.' Thus the correspondence theory can be understood as a consequence of this epistemological proposal, and the coherence and pragmatic theories can be treated in parallel fashion. The coherence theory, for example, can be thought of as a consequence of static monism, since the advocates of such a philosophical proposal can be said to advance that the Absolute is one infallible mind which instantly thinks thoughts that constitute a systematically coherent whole in which every element entails every other element. Logical consistency and mutual implication become the criteria of truth; discovering the truth then becomes an exercise in logic. Finally some dynamic monism can be said to be the basis of the pragmatic theory. Experience, for instance, can be described as

unique, since an identical experience never returns. As William James says,

Free-will practically means novelties in the world, the right to expect that in its deepest elements as well as in its surface phenomena, the future may not identically repeat and imitate the past. That imitation en masse is there, who can deny? The general 'uniformity of nature' is presupposed by every lesser law. But nature may be only approximately uniform. . . .

Consequently, the only possible way of knowing what is true at any particular moment is by performing an experiment. If the experiment verifies the hypotheses upon which it is founded, they are true; if not, they are false. The truth is that which works.

Obviously, a pattern exists here: in each case philosophers have made certain statements which imply definitions of 'truth.' I would like to suggest that some of Wittgenstein's statements also imply a definition of 'truth' and that this definition is consonant with and perhaps even requires some speculative and normative philosophizing.

One affirmation that Wittgenstein makes is that words are taught by exhibiting their uses in concrete situations. He calls this process ostensive or demonstrative teaching of words and exemplifies it by using one of his famous language games:

[The function of this language] is the communication between builder A and his man B. B has to reach A building stones. There are cubes, bricks, slabs, beams, columns. The language consists of the words "cube", "brick", "slab", "column". A calls out one of these words, upon which B brings a stone of a certain shape. Let



us imagine a society in which this is the only system. of language. The child learns this language from the grown-ups by being trained to its use. . . . It is done by means of example, reward, punishment, and suchlike. Part of this training is that we point to a building stone, direct the attention of the child towards it, and pronounce a word. . . . In the actual use of this language, one man calls out the words as orders, the other acts according to them. But learning and teaching this language will contain this procedure: The child just "names" things, that is, he pronounces the words of the language when the teacher points to the things. In fact, there will be a still simpler exercise: The child repeats words which the teacher pronounces.

Thus, in this language described by Wittgenstein, customs exist which are used to define words: a teacher indicates the denotations of the names which are uttered. In other words, the custom of saying something like, "This (while pointing to a cube) is a cube," for example, is part of such a language, and such an expression is an ostensive definition. As the vocabulary of such a language grows, no doubt, verbal definitions such as "A bachelor is an unmarried man," will also be permitted.

If anyone should now ask when such statements are true, the answer would be whenever they actually express rules of usage. "This is a cube," for instance, is true whenever it is stated while a cube is actually pointed to. Likewise, "A bachelor is an unmarried man," is true if 'bachelor' is a synonym for 'unmarried man.' Such expressions are true, in other words, when they are being used properly, and this definition can easily be extended to cover contingent statements also—a true statement may be defined as one whose use actually conforms to all the rules of usage which define its proper use, i.e., as one which is being used properly.

For example, "The book is red," is true when it is being used in a situation in which there actually is a red book, i.e., when both the statements, "This (pointing to a book) is a book," and "This (pointing to the book again but directing one's attention to its color) is red," are also true. I suggest, then, that Wittgenstein's statements imply that truth is the proper way of using words in declarative expressions; falsehood, an improper way of using words in such expressions. A true statement, in other words, is one which is used in association with the kind of circumstances which can be utilized to teach someone its use, while a false statement is one which is used in association with the kind of circumstances which cannot be utilized to teach anyone its use.

Now this definition applies to all declarative expressions including value judgments, for a particular moral judgment can be said to be true when it is used in association with the kind of circumstances which can be utilized to teach someone its use; otherwise, it is false, and a parallel affirmation can be made about aesthetic judgments. For example, that honesty is good is true since the word 'good' can be taught in association with situations which exemplify honesty; likewise, that the girl in Renoir's *Nude in Sunlight* is beautiful is also true since the word 'beautiful' can be taught in association with such a person, but that honesty is evil and that the girl in Renoir's *Nude in Sunlight* is ugly are both false since the word 'evil' cannot properly be taught in association with situations which merely exemplify honesty and the word 'ugly' cannot properly be taught in association with a person similar in physical features to the girl in Renoir's painting.

Because the definition of 'truth' that follows from Wittgenstein's statements can be applied to value judgments, however, a traditional philosopher is apt to object to it, and the first thing

such a philosopher is likely to say is that whenever one questions whether honesty is good or whether the girl in Renoir's *Nude in Sunlight* is beautiful, he is not asking whether the word 'good' is taught in association with situations which exemplify honesty nor whether the word 'beautiful' is taught in association with persons similar in physical features to the girl in Renoir's painting. Everyone admits that! What he is questioning is whether the words 'good' and 'beautiful' should be taught in association with such situations. The second protest he is likely to make is that confusion exists over the use of paradigms which are associated with value judgments, since some value-words are taught by using more than one kind of paradigm. For instance, the word 'beautiful' is taught in reference to nature, animals, human beings, language, music, and graphic art – to name just a few paradigm-categories – and the word 'good' is taught in reference to animals, human beings, human actions, food, tools, etc. Finally he is apt to point out not only that these paradigms must be distinguishable but that a decision about which paradigm is preferable in making any particular judgment must be possible, and this decision is not always easily made about value words. For example, in judging whether or not Renoir's painting is beautiful, should the paradigm of human beauty or some other be utilized?

A traditional philosopher might conclude from these objections merely that the definition of 'truth' developed above is unsatisfactory and that, therefore, the definition falsifies the philosophical statements from which it follows, but I would like to suggest that it is not only satisfactory but that these objections can be used to show that analytical philosophy and speculative and normative philosophy are compatible. This suggestion can be supported in the following way: First, to ask whether the words 'good' and 'beautiful' should be taught as they are is merely to ask

how one ought to define these words, for the question asks for a decision about the use of language. To answer the question affirmatively is to be satisfied with the normal linguistic procedures; to answer it negatively is to be dissatisfied with such procedures. But, second, to notice that the same question can be asked in connection with any other paradigm and that the definition which follows from Wittgenstein's statements is sound regardless of what paradigm is finally accepted is important, for then acceptance functions as the final standard. Since there are no criteria to govern acceptance, questions of why any particular paradigms are accepted have no uniform answer. Thus in judging whether or not Renoir's painting is beautiful, the decision to utilize one or another paradigm is not governed by any procedure which always works. Should the paradigm of human beauty be utilized or some other? A debatable question, one that permits differences of opinion. For a living language after all is always incomplete – many linguistic rules that have not yet been formulated can be and those which have already been formulated can be changed, since only a dead language undergoes no change or growth. To reach a decision about the use of paradigms in connection with Renoir's painting would be to establish –if one could get the decision accepted –a new linguistic rule. Thus that philosophy can be more than descriptive follows; philosophy can be genuinely creative. As Nietzsche says:

I insist . . . that people finally cease confounding philosophical workers, and in general scientific men, with philosophers. . . . It may be necessary for the education of the real philosopher that he himself should have once stood upon all those steps upon which his servants, the scientific workers of philosophy, remain standing, and must remain standing: he himself must perhaps have been critic, and dogmatist, and historian, and besides, poet,

and collector, and traveler, and riddle-reader, and moralist, and seer, and "free spirit," and almost everything, in order to traverse the whole range of human values and estimations, and that he may be able with a variety of eyes and consciences to look from a height to any distance, from a depth up to any height, from a nook into any expanse. But all these are only preliminary conditions for his task; this task itself demands something else – it requires him to create values. . . . The real philosophers . . . are commanders and law-givers; they say: "Thus shall it be!" They determine first the Wither and the Why of mankind . . . they grasp at the future with a creative hand. . . . Their "knowing" is creating, their creating a law-giving, their will to truth is – Will to Power. – Are there at present such philosophers? Have there ever been such philosophers? Must there not be such philosophers some day?

In spite of the claims of its adherents, linguistic analysis calls for such philosophers now. The linguistic analyst needs the philosopher just as the engineer needs the theoretical physicist, and although a philosopher should be educated in the techniques of analysis, he must be creative nevertheless.

The only question is who will be that philosopher? Who will create usages and thereby create values? Almost anyone does it: the scientist, the writer, the bureaucrat, and even the man in the street – everyone but the philosopher, so the analyst seems to say.

But why should the philosopher not create values too and even attempt to create better ones? After all, the creation of such values is one of his traditional tasks. Why should he not even construct fantastic metaphysical schemes to aid him if he finds them useful? After all, the important thing is acceptance, that the battle against ill-advised human ideals and apparently irrational human

experience be won. Of what matter are the weapons that he uses, as long as they are effective? Why should philosophers not, then, do their utmost to change values for the better, and even if philosophical attempts to create values are never accepted, why should philosophers not attempt to be creative, why should they not fight in the traditional battle against ill-advised human ideals and apparently irrational human experience? I suggest not only that they should, but that linguistic analysis implies and perhaps requires that they should, since someone must create the changes that occur in a living language. Why should not sensitive and thoughtful men with concerns for human life create these changes and thereby influence mankind? For unguided change, even if the result of the latest knowledge, can be as harmful as, if not more harmful than, ignorance; after all, "knowledge without conscience is but the ruin of the soul," as Rabelais writes. Linguistic analysts, then, if their ideas are to have any validity, must admit that meanings can change. The philosopher has at least as much right as anyone, and perhaps a greater right, to attempt to make these changes. Thus I suggest that linguistic analysis at least comprehends speculative and normative philosophy and perhaps involves it and that philosophy again has endured in the face of criticism.

## A WONDERFUL WORLD INDEED!

Ah, yes, Scott! Isn't it a wonderful world?

Just think about it. We have polluted the atmosphere, the oceans, and rivers and streams to a greater extent during the last century than in all of previous human history. We have exterminated more species in the past century than in all of previous human history. We have jailed more criminals in the past century than in all of previous history. The products you extol so much have injured and maimed more people in the last century than in all of previous human history. And we have killed more human beings in the past century than in all of previous human history.

Ah, yes, Scott, isn't it a wonderful world?

Pollyannas see it so because they look at it with one eye closed. Nothing gets better by bragging about it. Only when we see and admit our faults are we apt to do something to better things. Perhaps we should be ashamed of our actions rather than thankful for our blessings. If we did that, chances are that in time, we would become truly blessed.

## ADVICE FOR THE TEA PARTY

*Hens that lay cracked eggs can't fix them*

Adam Smith in Book V, Chapter II, Part II of the Wealth of Nations has an interesting discussion on taxation in which he traces money back to its original sources to show who really pays. He shows that the real payer and the nominal payer are often not the same. The interesting thing about these passages is that the method can be used in all sorts of ways that have nothing to do with taxation.

For instance, consider what you really pay for when you purchase something. You pay for the product, of course, but you also pay for a lot more. You are led to believe, for example, that there is something called "free" television, television whose programming is paid for by advertisers. But where do the advertisers get the money they spend on advertising? It comes from the people who buy their products. Consumers are the ones who really pay for this "free" television, not the companies doing the advertising. The viewers of "free" television who buy the products advertised are paying for the programming, and the programming is not free. What's worse, even if you don't want to watch the ads you've paid for, you have to.

But advertising is not the worst example. The buyers of products also pay for the political ads companies run in support of candidates. Those buyers may not want to support those candidates, and the candidates supported by companies may not even have the interests of consumers at heart.

Companies also "donate" funds to candidates and spend huge amounts lobbying elected officials for favorable legislation. These companies get the money they spend on these activities from the people who buy their products too. So consumers, even when



they don't support these politicians, end up paying for their campaigns. And when companies spend money lobbying the Congress to keep it from enacting effective consumer protective and other worthwhile legislation, consumers are paying for the lobbying that is not in their interest. Many believe that corporate America has corrupted the electoral process by buying politicians in these ways. If that's true, corporate America is using your money to do the corrupting. People, you're paying for your own nooses.

Nearly 80 percent of Americans say they can't trust Washington and they have little faith that the massive federal bureaucracy can solve the nation's ills. "This anti-government feeling has driven the tea party movement. . . . 'The government's been lying to people for years. Politicians make promises to get elected, and when they get elected, they don't follow through. . . . It was a problem before Obama, but he's certainly not helping fix it.'"

Many say they want a smaller government. But why does anyone believe a smaller government will help? Suppose you knew someone who fancied her/himself to be an excellent pizza chef but made pizzas that were so bad, people gagged when trying to eat them. Would the pizzas be any better if the chef made them smaller?

When the big government you disapprove of starts cutting programs, it may not cut the ones you want cut. If government can't be trusted now, why would you trust it to make the right cuts? What you might end up with could be worse than what you have. The point is that bad government can't be fixed by making it smaller. The only real fix is making government good, by making it a government of the people, by the people, and FOR the people.

So here's some advice for the Tea Party: One, stop complaining about the taxes you pay and start complainingn - no, raise hell! -

about the taxes the rich don't pay. Two, stop complaining about high prices and start complaining about corporate America's spending the money gotten by those prices to influence government. Three, stop complaining about politicians who lie and can't be trusted and start voting them out of office: Republican, Democratic, whatever. Start a campaign to oust all incumbents whether you like the one who represents you or not. The Congress won't pay any attention until the people demonstrate who the Congress really works for, and there's no way to do that without sweeping the whole house clean. When politicians attend your rallies and tell you how much they agree with you, remember that politicians lie to get elected. Show your representatives that the money that's yours that corporations spend to influence congressmen and get them elected won't do them any good. And finally, stop bringing up old, trite, and tiresome claims that have been heard for a least a century. They didn't work then and they won't work now. Try something new like, "Vote the rascals out - every last one!" That will get their attention. Nothing will change until WE the people change the way government works.

## AMERICA'S DEMOCRACY IN CRISIS: IS "EXECUTIVE PRIVILEGE" UNDEMOCRATIC?

Keeping an eclectic system consistent is difficult, especially if the borrowing system is fundamentally different from the system borrowed from. Taking a feature from one and placing it into another often compromises the latter's fundamental nature, because implicit contradictions are often hidden and difficult to detect.

The essence of democracy is fundamentally egalitarian. This egalitarianism is enshrined in such commonly known dictums as all men are created equal, one man one vote, equality under the law, and no man is above the law. Monarchy, on the other hand, is hierarchical. Some groups of people are granted privileges not available to others. The systems are fundamentally different, and privilege of any kind compromises democracy's essential nature.

Executive privilege, deliberative process privilege, state secrets privilege, and public interest immunity are forms of English crown privilege. They are attributes of monarchical systems. All are derived from the common-law principle that the internal processes of the executive branch of government are immune from normal disclosure, and all are based on the belief that by guaranteeing confidentiality, the executive branch receives more candid advice than would be given if confidentiality were not assured. Such advice, it is claimed, results in better decisions for society as a whole, but not a jot of empirical evidence has ever been cited to support this claim. In fact, the evidence supports the opposite view, that confidential advice results in decisions that produce horrid results for society.

There is even an obvious absurdity in the claim itself, and that no one has recognized it is a mystery. If advice given to the executive branch of government actually produces beneficial results, why would anyone, especially a politician, want to keep the advice confidential? Why wouldn't the advisors want to take credit for it? On the other hand, people are unlikely to want to take responsibility for advice that results in bad consequences, and the confidentiality merely serves to protect those persons from blame. If the advice also advocates breaking the law, the confidentiality puts advisers of the executive branch above the law, granting them a privilege unavailable to the people as a whole, compromising the democratic nature of society. Executive privilege turns the executive branch of government into a species of monarchy, the essence of which is that someone is above the law.

Monarchs have rarely been called enlightened. Many were openly vicious. That such monarchs should appoint advisors with similar vicious character traits is natural. That such people would want their advice to be kept secret is also natural. Monarchies do not exist for the benefit of their peoples. Louis XIV (1638–1715) said it nicely when he said, "L'état, c'est moi!" The French people were his to do whatever he wanted with. Interestingly enough, the first public discussions of crown privileges in England appeared during the reign of Charles I (1600–1649). So introducing executive privilege into the American governmental system set the nation's political progress back four hundred years, and Americans, who fought two wars with the British to free themselves from the yoke of English monarchical government, now find themselves living under one where the executive branch has acquired monarchical attributes. But the United States of America was founded on enlightenment principles during the

Age of Enlightenment, so the federal courts have, whether in maliciousness, ignorance, or sheer stupidity, abolished the republican nature of the government by allowing claims of privilege.

It is true, of course, that the Supreme Court has waffled in dealing with such claims. In *United States v Nixon*, the Court writes “The first ground is the valid need for protection of communications between high Government officials and those who advise and assist them in the performance of their manifold duties; the importance of this confidentiality is too plain to require further discussion.” But this last sentence is reminiscent of the Papacy’s claim against Galileo that the Earth’s position at the center of the universe is too obvious to require examination. If there is one thing that seekers of truth discover early on it is that nothing is so obvious that it escapes examination. In fact, such people learn that claims of obviousness always require examination; yet the Court often bases decisions on what appears “obvious” or “too plain to require further discussion.” In reality, there is nothing obvious about this claim. Nevertheless, the Court also writes in the same decision “To read the Art. II powers of the President as providing an absolute privilege as against a subpoena essential to enforcement of criminal statutes on no more than a generalized claim of the public interest in confidentiality of nonmilitary and nondiplomatic discussions would upset the constitutional balance of ‘a workable government’ and gravely impair the role of the courts under Art. III.” So what the Court takes away with one hand it often gives back with the other.

The Court never has judged a question of privilege by its overall effects on the fundamental nature of the government but always on some perceived “practical” consideration, such as “national

security,” “military secrets,” “diplomatic confidence,” all of which are slippery slopes to national disasters. The Court has always ignored admonitions such as that given by Botts to Chief Justice John Marshall in the trial of Aaron Burr: “If you determine that we be deprived of the benefit of important written or oral evidence by the introduction of this State secrecy, you lay, without intending it, the foundation for a system of oppression.” The Court was relieved of the responsibility of having to decide the matter because Jefferson supplied the required documents.

Often, the Court entertains arguments provided to support secrecy which are ludicrous. For instance, in relation to the release of additional torture photographs, the President has said, “My belief is the publication of these photos would not add any additional benefits to our understanding of what was carried out in the past by a small number of individuals” and “The most direct consequence would be to further inflame anti-American opinion and put our troops in greater danger.” But it is difficult to understand how the release of photographs would put troops whose lives are already in danger in further danger. What kind of further danger is there?

Furthermore, the anti-American forces in the Middle East don't need to do anything to “further inflame anti-American opinion.” And if they wanted to, faking and publishing photographs depicting behavior even more scurrilous than that depicted in those photographs already released would be easy. Sure, the American government would deny their authenticity, but who would believe it? The only thing the American government could do to gain conviction would be to release the original photographs which makes the attempt to conceal them ridiculous. In fact, it has recently been reported that there have been protests

in the Afghan capital, Kabul, over allegations that foreign troops in the country burnt a copy of the Koran, that hundreds of Kabul University students led the latest protest, and that they burned an effigy of US President Barack Obama. Of course, the US-led NATO force denied the claim, but no one believes the denial.

Other claims entertained by the Court are even worse. The Glomar response, for instance, where the government neither confirms nor denies the existence of documents to Freedom of Information Act requests excludes the possibility of being questioned. The Justice Department's recent position in *Shubert v Obama* is similar. The claim is that asserting the state secrets privilege is necessary "to protect against a disclosure of highly sensitive, classified information that would irrevocably harm the national security of this country," and the Attorney General writes, "I believe there is no way for this case to move forward without jeopardizing ongoing intelligence activities that we rely upon to protect the safety of the American people." Not only is there no way to question these claims, they don't even address the question raised, which is not whether the ongoing intelligence activities are relied upon by the government but whether they are legal. All of these claims put agents of the government above the law.

Furthermore, the claim that the revelation of specific information would harm the nation is counterproductive. Nations are harmed in many ways, one of which is their reputations both domestically and internationally. Far more nations have been destroyed by internal forces than by forces from abroad. In fact, forces from abroad that succeed in destroying nations often manage that because the attacked nation has already been destroyed from within. It happened to the Roman Empire.

Secrets make people suspicious of attempts to hide wrongdoing. When a government loses the trust of its people, the nation is harmed. And when the government seeks to keep secret actions being carried out in foreign nations, the attempt is fruitless. Foreign nations know or at least suspect when they are being meddled with. The international community views the meddling nation as a pariah.

In fact, it is impossible to argue convincingly for executive privilege. That no such argument has ever been produced is shown by the persistence of the controversy and the Court's continuing ambivalence. Whenever executive privilege is invoked, objective observers always react by concluding that the government has lied or broken the law and the lies and violations of law are being covered up. Many now have adopted the maxim, don't believe anything until it's officially denied, so that people initially uncertain about claims that the government has lied come to that conclusion when the lie is denied and the evidence is kept secret. Citing executive privilege is not an effective way to gain the people's trust and govern effectively. The Court should make clear that it is never appropriate. In a democracy, no one should ever be above the law.

Secretary of State, Hillary Clinton, said, "We've got to do a better job explaining to the world what we're doing," while being interviewed by Leslie H. Gelb. The previous Bush administration expressed similar sentiments. Alan Fisher, a Scottish journalist reporting from Islamabad wrote, "I went to the Islamic university in Islamabad on Tuesday after news of the double bombing there broke. . . . A young man . . . started blaming me and 'my people' for the bombing. . . . He said: 'This is all your fault, all your bloody fault.' pointing his finger at me angrily. 'You Americans,



you are sitting there, you are doing this.' The world's people know "what we're doing," because we're doing it to them. Only the American people are being kept from knowing it.

There is an old Henry "Henny" Youngman joke that goes like this: A man goes to his doctor and says, "Doctor, when I do this it hurts." The doctor says, "Well don't do that." This joke provides all officials in democratic governments with this lesson: When an action is being proposed that would be too offensive to be revealed to the public, don't approve it, because if it is done, it will surely hurt. The government's covered-up lies have done far more damage to the United States of America than terrorists ever could have. In fact, those lies have produced the terrorists and severely limited our Constitutional rights. Ron Paul is right: they're over here because we're over there. In reality, the best defense against enemies is not to make any. Attempts to keep wrong doing secret never work and are destroying the nation in the guise of protecting it.

Some claim that "the U.S. Constitution is elitist in origin and nature, and does not include any clause providing for state intervention directed towards the removal or, at least, mitigation of social inequalities; nor does it acknowledge any social or economic rights....In addition to that, the U.S. Constitution is strictly centered on the protection of the status quo and dominant elites' power, and even on the empowerment of the state for the repression of the common citizen and for the domination over foreign nations." Although it is true that the members of the Constitutional Convention were drawn from the Colonial elite and that most were lawyers with economic interests in the Colonial economy which was British in nature, the claim, cited above, is based on well-known elementary fallacies. Unless the

author or authors of a document specifically place their intentions in the document, those intentions become irrelevant. Once written, a document stands on its own. And the Constitution's preamble clearly contains the aspirations and intentions the founders wanted the new nation to fulfill, none of which are aimed at protecting the status quo and the dominant elites. The founders also explicitly stated the dangers of foreign entanglements.

Yet the Constitution has been subverted and the nascent nation destroyed by the Court's willingness to inject monarchial English common law principles into the American legal system for which not even the slightest justification can be found in the Constitution. English crown privilege is one of them. As a result, all the often claimed enlightenment aspects of American society are merely cosmetic. The Justices of the Court, those who have sworn to protect and maintain the Constitution, are the ones chiefly responsible for destroying it. The Constitution may not be perfect, but it's much better than many realize. It is the Court which has failed to read it carefully that is at fault.

## ARE AMERICANS A RELIGIOUS PEOPLE? EMPHATICALLY YES!

Anyone interested in this topic has already seen the regularly published numbers gathered by one kind of survey or another: Americans who view themselves as religious: 86.8%; who regularly attend a worship service: 57 %; who identify themselves as Christian in 1947 and 2001: 89%/82%.

But these numbers are meaningless: the words religious, Christian, and regularly attend are not precisely defined, and what passes for religious, or Christian, or regular attendance can be different for different people. For instance, a well-known person was interviewed by Larry King recently, and he asked her if she was religious. Without hesitation she answered, "Yes," but then said, "I believe in God, I was raised as a Roman Catholic, but I don't go to church. I really mean I'm a spiritual rather than a religious person." Well, is she religious or not? Is she a Christian or not?

So when I say that Americans are religious, I don't mean religious in any conventional sense. What I mean is this:

There are people whose lives are pretty much lived in accordance with belief-structures. These people have never thought seriously about these structures, never questioned their validity, never have sought any evidence for them. None of these are thought to even be necessary. These belief-structures take on the attributes of absolute truths that are unquestionable, and no amount of evidence that contradicts these structures ever changes their minds. People who live this way are religious.

Religious people can be contrasted to another group whose lives are pretty much lived in accordance with articles which they have evidence for. These articles don't have the character of absolute truths, not even as fixed facts, for whenever the evidence changes, and it often does, these people change their attitudes

correspondingly. These people are not exactly scientific, but their attitudes are adopted by using a scientific method to some extent. They don't go around looking for evidence of every attitude they hold, but when one they hold is contradicted by the available evidence, they discard it. The religious sometimes call these people relativists, but that's wrong. Relativists change their views to fit changing circumstances; but circumstances are not evidence. No one would say that physical science is relativistic, because views about the nature of the physical world have changed as new evidence has emerged. Relativism is exemplified by politicians who change their views with every change in public opinion. Physicists don't do that.

Factual argument can influence the attitudes of the people in this second group. Trying to influence the religious with factual argument, however, just doesn't work.

Of course, nothing is this simple. Every person, to some extent, falls into both of these groups, although one or the other of the two tendencies usually dominates. So if you predominately fall into one of these groups and you come into conflict with someone of the other type, resist the temptation to vilify him/her, because there's some degree of him/her in you too.

But the conflicts that arise between these groups are serious, because their resolutions are often impossible, and legislative or judicial attempts to resolve them often prove to be ineffective.

An example of such a conflict is same sex marriage. This issue cannot be solved, and if a solution is imposed on the public, the opponents of that solution will continue to harbor resentment and make continual attempts to undo it. Issues like these are only resolved by time during which both the evidence and belief-structures slowly change.

The issue of slavery illustrates such a resolution. Lincoln imposed a solution on the issue by emancipating the slaves. But it took a

long time for belief-structures to change for that solution to become accepted as the right one. Today, hardly anyone would defend slavery.

But consider abortion. The Supreme Court made it a woman's right in 1973 but its opponents are still trying to overturn it. The relevant evidence and belief structures have not yet changed enough for a satisfactory consensus to emerge.

These three issues I have used as examples are emotionally charged. They are the result of deeply held belief-structures. But all belief-structures do not have the same importance to an individual; some are more easily changed than others. And sometimes belief-structures held by the same individual can conflict with each other. This gives rise to curious practices when they are adopted as national policy.

Anti-communism is an integral part of one of our belief structures; so is the sanctity of private property. Here's an example of how they conflict when they become part of our national policy. Both Cuba and mainland China are Communist countries. Cuba is a puny little country that could never be a real threat to us, but mainland China is an enormous, powerful country that can conceivably be a major threat. Cuba has never fought us in a major war; its armies have never killed Americans. Mainland China, on the other hand, fought us to a standstill in Korea and its armed forces killed and maimed thousands of Americans. Yet we won't do business with Cuba while mainland China has become one of our largest trading partners. How can this be explained? What has Cuba done that is so much worse than the killing and maiming of thousands of Americans? Well, Cuba confiscated the private property of American companies, mainland China didn't.

Yet our leaders are continuously telling us and the world that we are a people that values life. And we do. There is no question

about it. But at the present time in history, we happen to value private property more. Many Americans view this as ridiculous; to others, it makes perfectly good sense. Its just that the two belief-structures involved, while valued by both, are valued differently by different people. The place of these belief-structures in their value hierarchies is merely reversed.

Such conflicts affect many of today's social issues that the country has attempted to address, and the result has often been numerous Congressional attempts at solutions, none of which have worked. Some are crime and punishment, illegal immigration, medical care, and drug policy. But more on those some other time.

## ARE THERE REALLY ANY REASONS TO CELEBRATE?

Since I see no point in reading what I already know, many years ago, I gave up reading journalistic commentary, because once one knew the point-of-view of the journalist, one could predict with 100% accuracy the commentary's content. But in search of a diversion from the disappointing play of the Cowboys in Cincinnati, I read your piece, Reasons to Celebrate. Unfortunately, you are mistaken because your point is based on a flawed vision of the country that the founding fathers envisioned, and no one really knows what our ancestors fought and died for. Having once gone to war at this country's call myself, I can tell you that most soldiers have no idea of what they are fighting for. Did, for instance, those who fought in the American Civil War fight for the preservation/destruction of the nation or the emancipation of/the continued ownership of slaves? I don't know. You don't know. Nobody knows.

But the point I wish to make does not involve criticism of such vapid statements.

The United States of America today has not even a faint resemblance to the nation envisioned by our founding fathers. This nation is characterized by faction--two to be exact. And our founding fathers were well aware of the threat to democracy that faction poses. If you haven't done so or have but have forgotten it, read The Federalist Papers numbers nine and ten. Had the colonists believed that this nation would some day be characterized by faction, the Constitution would never have been ratified.

Of course, the arguments in the Federalist Papers, while cogent at the time, are no longer so, because of the technological progress that has made mass media possible. Nevertheless, what they knew about the threat of faction to the endurance of democracy

are just as true today as it was in the 1700s. They knew that historically, democracy was ultimately destroyed by faction, and the extreme factional discourse of the recent election should certainly be cause for concern, and thus the election is nothing to celebrate.

Furthermore, although no journalist will say so, this nation has become vastly more repressive that it was when I was a young man (I am now in my seventies). One of the measures used by international bodies that measure repression in countries is the number of its people a society imprisons. If one were to judge by this standard alone, this nation would have the distinction of being the most repressive in today's world.

Such repression is the result of governmental actionthe passage of laws. But it was recognized as far back as the nineteenth century that such repression, while bad, was not the worst. The worst kind of repression is socially generated. And as I look back the changes that have taken place in this United States since I attained adulthood, it is depressingly evident that many of the freedoms that we Americans enjoyed then are now lost. I need not enumerate them for you; you know what they are. But to understand the consequences of such socially generated repression, you should read John Stuart Mills little tract, On Liberty.

If you read both of these works and have even a tincture of intellectual honesty in your soul, you too will lament what is happening in this country. Unfortunately, even if you do, I doubt that it will change the tone of a single sentence you write, for your point-of-view is the stuff that butters your bread. Without your point-of-view, you would be nobody.



## AS WESTERN CIVILIZATION LIES DYING

The Western commercial system exists to extract more from consumers than it supplies in products and services. Its goal is profit and has never been to improve the human condition but to exploit it. When governments institutionalize this system, they place their nations on suicidal paths, because as Jefferson recognized, "Merchants have no country." It is not terrorism that threatens the security of the Western World, it is the Western World's commercial system.

A man suffering from severe chest pains collapses. His wife calls 911. An ambulance arrives, the EMTs treat the patient, place him in the ambulance's bed, and start off to the hospital. Along the way, the engine stalls. The ambulance's staff begins arguing about how to get the motor restarted. One says more gasoline is needed, another says there's water in the tank, a third says the fuel filter is clogged. While they argue, the patient lies dying.

This situation is analogous to what's happening in America and parts of Europe. While economists and politicians argue, their nations are in the throes of death. These people are looking for the devil in the details, but he is not there. It's the system itself that's diabolical.

The Western commercial system is extractive. It exists to extract more from consumers than it supplies in products and services. Its goal is profit, and profit literally means to make more (proficere). Its goal has never been to improve the human condition but to exploit it. It works like this:

Consider two water tanks, initially each partially full, one above the other. One gallon of water is dumped from the upper tank into the lower one for each two gallons extracted from the lower tank and pumped into the upper tank. Over time, the lower tank ends up empty and the upper tank ends up full. The circulation of water between the tanks ends.

Essentially, this scenario describes all commercial systems based on profit. It is why the top 20 percent of Americans has 93 percent of the nation's financial wealth and the bottom 80 percent has a mere seven percent. It is why the bottom 40 percent of all income earners in the United States now collectively own less than one percent of the nation's wealth. It is why the nation's poverty rate is now 14.3 percent, about 43.6 million people or one in seven. It is also why the Wall Street Journal has reported that 70 percent of people in North America live paycheck to paycheck. It is also why, despite numerous pledges over decades, no progress has been made in reducing world-wide poverty. The system is a thief.

The economy has collapsed not because of misfeasance, deregulation, or political bungling (although all may have been proximate causes), it has collapsed because the pockets of the vast majority of Americans have been picked. The housing bubble didn't burst because home prices had risen, it burst because the pockets of consumers had been picked so clean they could no longer service their mortgages.

What the wealthiest 20 percent of Americans don't realize is that some in this group will begin to target the others in order to keep the extractive process working. In fact, it's already happening. "The brute force of the recession earlier this year turned back the clock on Americans' personal wealth to 2004 and wiped out a

staggering \$1.3 trillion as home values shrank and investments withered.” Little of this loss from investments was suffered by the lower 80 percent of Americans. There is, after all, no goodwill within greed, and the market can be and often is manipulated.

The “system” has impoverished the people, the circulation between the two tanks has been reduced to a trickle, and our economists have convinced the government that the only way to get things flowing again is to pour more water into the upper tank, hoping that the spillover will settle in the lower tank. Better to pray for rain!

This impoverishment has numerous mathematically certain implications; two major ones follow.

First, the system can't be fixed by tinkering with the details. At best, tinkering with the details can merely slow down the depletion of consumer wealth. As long as the system is based on profit, more must be taken than is given. The rate of depletion can be changed, but the depletion cannot be stopped. This conclusion is as mathematically certain as subtraction. Why the geniuses in the American economics community, all who whom taut economics for its use of mathematical models, cannot understand this is a conundrum. They can tinker as much as they like. Some tinkering will produce apparent benefits, some won't. But one thing is certain—the system, unless it is fundamentally and essentially changed—will break down over and over again just as it has at fairly regularly intervals in the past. As long as maintaining the system is more important than the welfare of people, the people have no escape. They are eventually impoverished—both when the system works and when it doesn't! Two thousand years of history has produced not a single

counterexample to this conclusion. Prosperity never results from exploitation.

Another implication that few seem to recognize concerns the national debt.

We are told that the burden of paying off the debt will be borne by our progeny, our children, and their children. But unless the Western commercial system undergoes fundamental changes, the children and grand children of most Americans will never have to bear this burden. Why? Not even governments can pick empty pockets. So if the debt is to be paid by raising taxes, the children and grandchildren of that 20 percent of Americans who hold 93 percent of the nation's financial wealth will have to pay them. Most, if not all, of these people are also investors. Given the acrimonious debate about letting the Bush tax cuts for the wealthy expire, the chances of that ever happening are slim to none.

Will the debt then be paid by devaluing the dollar, by printing money? Many believe that the government will eventually take this alternative. Let's say it does. Then all the dollars held by anyone anywhere will be devalued equally, including the dollars held by that same 20 percent of Americans. Again the wealthy 20 percent of Americans, having the most, lose the most. The devalued dollars they collect on their investments are merely added to their other devalued dollars, and the more the dollar must be devalued to repay the debt, the more the wealthy lose.

And finally, will the government default? Most seem to believe this to be unlikely. Perhaps, but isn't it the best alternative? Investors will simply not be paid, but the rest of their money will

retain its value unless other economic consequences reduce it. Even Morgan Stanley recognizes that “the sovereign debt crisis won’t end till deeply indebted rich country governments give holders of their bonds a good soaking.”

So relax, Americans, your children will never bear the burden of paying off the national debt. Just sit back and enjoy watching the wealthy squirm.

Some say that if the nation defaults, the government will be unable to borrow. But other governments have defaulted without losing their ability to borrow. Russia, Argentina, and Zimbabwe are but recent examples. Of course, there are severe economic consequences to defaulting, but there are severe consequences to each of these alternatives too. How much harder can life be for the 80 percent of Americans holding a mere seven percent of the nation’s wealth? There are, after all, no degrees of broke; no broke, broker, and brokest.

Will investors refuse to lend? Doubtful. A wealthy person can do four things with money: give it away, spend it, stuff it under the mattress, or invest it. Those are the only alternatives, and it is unlikely that much of it can be spent or that many will have the inclination to give it away or save it. So the wealthy really lack a great deal of choice.

Finally, a hidden principle underlies this extractive system – It is okay for some to enrich themselves by making others poor. Even though this is exactly what thieves do, no one, to my knowledge, has ever pointed out that this principle is immoral. It appears to be accepted universally as economically acceptable. But consider these two similar principles: (1) It is okay for some to improve

their health by making others unhealthy, and (2) It okay for some to avoid the consequences of their criminal acts by making others bear them. No one would consider the last of these right, yet all three are logically and materially identical.

Some may claim that without profit, no commercial system can function effectively. If true, the implications for humanity are horrific. It implies that mankind was made in Satan's image, that the Commandments, especially the tenth, are fraudulent, that all the philosophy and literature that defines Western Civilization are nugatory, that no essential distinction exists between so-called civilized and barbaric nations, that all governments are illegitimate, that words like justice and fairness are meaningless, that the law is lawless, that society disintegrates into no society, and that nothing really matters. The economy is Bedlam, the Earth is the Universe's Insane Asylum, and the craziest are in charge. What kind of human mind would ever attempt to defend this abomination?

This Western commercial system exists merely to enrich vendors by exploiting consumers. When governments institutionalize this system, they place their nations on suicidal paths. Astute observers of history have long recognized what Thomas Jefferson made explicit—"Merchants have no country." Oh, yes! These merchants will object vehemently. Pay no attention. Just watch what they do.

They expect favorable treatment and services from governments but do everything possible to keep from paying for them in taxes and exhibit no concern whenever their native lands face bankruptcy. When their native lands face stress, as in times of war, the people are called upon to sacrifice while the merchants

are allowed to profiteer. When John F. Kennedy said, "Ask not what your country can do for you, but ask what you can do for your country," he was not speaking to corporate America. Does any reader of this piece really believe that the makers of Humvees, drones, and F16s would ever consider supplying them to our military at cost? Yet how great is the cost of the sacrifice parents are asked to make by sending their children off to fight hideous wars?

People, a merchant unwilling to sacrifice for his country has no country, he will support no country, defend no country, and if such people are given control of a nation, they will suck its blood dry and sell off the body parts to the highest bidder. Not even a recognizable corpse will remain. It is not terrorism that threatens the security of the Western World, it is the Western World's commercial system.

## **BLUE DOGS, YELLOW DOGS, AND OTHER MONGRELS IN THE KONGRESSIONAL KENNEL**

The Washington Post reported yesterday that "typical Blue Dogs receive significantly more money-about 25 percent-from the health-care and insurance sectors than other Democrats, putting them closer to Republicans in attracting industry support." Most of us could have drawn that conclusion ourselves.

When I was a college student, this catchy, derisive aphorism was often heard: Those who can do; those who can't teach. Clever claptrap and we all knew it; otherwise we wouldn't have been in college in the first place. Numerous people who have become absurdly rich doing what their professors taught them to do routinely donate huge sums to their alma maters. What better proof could there be?

A variation of this aphorism, however, may be true. Those who know teach, those who can do, and those who neither know nor can become members of Congress.

The American scandal of politicians asking for, receiving, and accepting money from special interests is too well known to be worth much mention. And although politicians routinely deny that those contributions influence their votes, everyone knows that politicians routinely lie. Emerson summed it up nicely: "What you do speaks so loudly that I cannot hear what you say."

If you've ever wondered why the idle rich (48 percent have net worth's estimated to be at least \$1 million), attorneys with unsuccessful private practices (about 30 percent), and former shopkeepers run for seats in the Congress, one possible answer is that their votes are the only things of value that they have to sell. Are America's failures running the country? Well they certainly haven't enacted much effective legislation in the last half-century.



## CIVILIZATION AT A STANDSTILL

In 1620, Puritans landed in Massachusetts and established the Plymouth Colony in North America. They came to America ostensibly to escape from religious persecution which was pervasive in England at the time. Apparently English Christians were unable to live together peacefully. No matter where the Puritans went to elude persecution, dissatisfaction followed. They went to Amsterdam, then to Leiden, before sailing to New England. In America, they routinely banished unorthodox believers. Quaker women, Roger Williams, and Anne Hutchinson are cited most often. They also executed members of their own community who were accused of witchcraft. Given how they acted, most would say the Puritans were not "nice people." But like all whose lives are guided by a creed, the strength of their beliefs is the measure of their creed's "truth." The stronger the belief, the truer the creed. Consequently intolerance and discrimination are fundamental characteristics of such creedal cultures.

Forty years later, the Royal Society of London for Improving Natural Knowledge was founded. Its motto is *Nullius in verba* which means something like "take nobody's word for it." The motto expresses the determination to withstand the domination of creedal cultures and to verify all claims by appeals to facts determined by experience. The Enlightenment had dawned in England. The establishment of this society bifurcates human beings into a mass of believers and a class of knowers.

But the Enlightenment did not cast a wide beam. Believers do not need evidence to support the claims of their creeds. Even seeking such evidence exhibits "bad faith" and in the seventeenth century would have occasioned the expulsion of the seeker from the

culture. Although expulsion is no longer a cultural practice, a strong belief still obviates the need for evidence to support its claims. So believers can routinely be expected to ignore anything that might cast doubt on the creed's "truth."

Evidence that shows that Americans and perhaps Europeans and other peoples of the world are credal is easy to cite. Human beings are essentially incorrigibly anti-intellectual, so the Enlightenment didn't enlighten many.

In America, ideas, practices, and policies continue to be implemented long after being discredited by experience. The War on Drugs is a notorious example. Its failure has been so evident that many states now are openly defying the federal government and legalizing the use of banned substances. But the federal government continues to ban them. American economists continue to promote free market capitalism even though it has failed to produce a single prosperous culture in more than two hundred years and has never even provided for the needs of people. Get tough on crime practices such as harsh and long prison sentences have not reduced crime; yet they continue to be utilized. The application of economic sanctions as a tool of foreign policy is another egregious example. America's guiding principle seems to be "if at first you don't succeed, do what you did over and over." Getting it wrong is the American way.

This principle is so pervasive in America, even institutional groups have adopted it. The Congress and the mainstream press both have approval ratings that are shamefully low, but no one in either group has suggested doing things differently.

But there is another phenomenon taking place that's ever worse, and it has been going on for a long time. America's college

graduates, even those who graduate from America's elite institutions, graduate while believing the same dogmas and holding the same attitudes they held when they matriculated. Ted Cruz, the Koch brothers, and Franklin Graham are obvious examples but others are easy to cite. Apparently professors no longer (perhaps never did) make any attempt to teach students how to evaluate ideas or even the importance of doing so. Education has become merely vocational training. Any ideas taught are those which are conventionally believed. The result is that no new ideas can emerge from this culture, and human progress is impossible. Americans are trapped in trivia—entertainment, sports, baubles, bangles, trinkets, and technological toys. Some have called this an addiction to materialism, but they are wrong. The addiction is to ignorance, especially ignorance expressed as belief, and the addiction goes all the way back to 1620.

The consequence of this addiction is a political process that has been described as pendular. A group gains political power and implements seventeenth century ideas which have long been discredited by experience. When the results do not meet expectations, another group gains political power and implements nineteenth century ideas which have also been discredited by experience. The eighteenth century's enlightenment ideas play no role in the process because they have never been adopted by any group of believers. So when the implemented nineteenth century ideas also fail to meet expectations, the only alternative available is a return to the previously discarded seventeenth century ideas. Back and forth the process goes without ever advancing. Civilization is at a standstill. No problems are ever solved and no conflicts are ever avoided. The ancient Greeks fought Persian hoards. Western

nations fight Near Eastern ones. See how much more civilized human beings are today that they were in 400 B.C.E.! The more things change, the more they remain the same, because the enlightenment has gone dark. In the absence of new ideas, the dialectical process never advances, and it won't until believers repudiate their creeds, and people see the value in the maxim, *Nullius in verba*. No mere claim, no matter whom it is made by, has any value.

## COMMENTING ON COMMENTS

On Sunday May 24, 2009, the Dallas Morning News printed a piece by Mark Davis, a local radio talk show host, titled, "Unfettered comments online are just noise." The gist of this piece is that comment sections on media websites attract a lot of inane stuff and that they "deserve to survive only in an atmosphere of accommodating responsible supervision. Any print or TV web site editing for lucidity will be doing its part to improve the tenor of public discourse."

The first part of this thesis is certainly correct. A lot of noise appears in comments sections. But noise is ubiquitous in American media, even the Dallas Morning News. For instance, Experts divided over direction of 2009 economy  
07:20 AM CST on Wednesday, December 24, 2008

Associated Press

WASHINGTON The longest recession in a quarter century is snowballing, and some analysts warn that economic activity COULD plunge as much as 6 percent this quarter and conditions COULD continue to worsen. Some analysts, however, BELIEVE this quarter MIGHT mark the low point of the recession, with the economy starting to show signs of improvement by summer. [Emphases mine!]

Who cares what unnamed experts believe could or might happen? Are these the same experts that told us up to a day before the market collapsed that the economy's fundamentals are sound?

The American media sold out a long time ago. Ben Franklyn may have been the last genuine American journalist. Newspapers have long ago given up selling news and information in order to sell advertising (always nothing but noise) separated by filler. Talk radio is even worse. They have adopted ideological points of

view, and inundated readers and listeners with mere propaganda. Their view of balance is to report what two idiots, one on the right and one on the left, have to say. They report the words of politicians without ever questioning either their veracity or cogency. They actively promoted the wars in Iraq and Afghanistan without ever questioning the fictional justifications. In short, their filler is noise.

Will responsible supervision improve the tenor of public discourse? There is not a lick of evidence to support this view. Publishers have been publishing books with content made up of noise since Gutenberg invented the press, and they all have supervising editors. Newspapers all have supervising editors. Noise often turns up in peer reviewed academic journals.

But there's even a greater danger in supervising editors. The owners of many web sites review and often reject comments. How do they decide which comments to reject? Regardless of what the owners of these sites claim, how they decide can only be ascertained by looking at the accepted comments. When no serious critical comments are displayed even when the piece deserves them, one should be very suspicious of the integrity of the site's owner. If all one finds is noise such as, "nice piece," "great post," "nice job," give up on it. But publishers, magazines, newspapers, television channels, talk radio, and even web sites do the same thing. A medium's point of view is often the deciding factor, and it never leads to an improvement in the tenor of public discourse. The truth is that we live in a noisy society, and the media have been instrumental in promoting the noise.

The newspaper industry today is experiencing financial difficulties. Many are closing. They are placing the blame on everything but themselves. It's the economic downturn, it's the competition from the Internet. They never attribute it to their faulty product. This family reads the Dallas Morning News from

time to time; we canceled our subscription some time ago because just too many articles were either old stuff we had come across before or too ideological. The paper has long been called the Dallas Morning Snooze by many in Dallas, and it often contains a section called "World" which rarely consists of more than one broadsheet, four pages, and one article. The remainder is advertising. It has given the expression, "small world," new meaning. When a newspaper or any media outlet markets itself not to objective readers but to ideologues and prospective clients for its advertisers, it has abandoned its original function. It deserves to fail. Editing comments on its on-line site will not help. Only the truth will set us free.

## CONFLICT, HATRED, AND ANGER- THE PRICE OF INEQUALITY

Riots in France, terrorism in the Middle East and elsewhere, genocidal wars in Africa, all of which makes one wonder about just what kind of beings humans are. Yet, when asked recently to express my opinion on the rioting in France, I merely said, "Well, what do you expect?"

This world is rife with conflict, hatred, and anger. People don't seem to know what to do about it except respond with more conflict, hatred, and anger; yet, the cause of these and the means of eliminating them are not hard to pinpoint.

Thomas Jefferson understood it well when he writes, in the Declaration of Independence, that "mankind are more disposed to suffer, while evils are sufferable, than to right them. . . . But when a long train of abuses . . . evinces a design to reduce them under absolute despotism, it is their right, it is their duty, to throw off such government. . . . : And an abuse, it seems, is practiced world-wide, viz., the abuse of second-class citizenship.

Although we all know that, in practice, governments are usually imposed upon people, no philosophical theory of just government has ever attempted to justify this practice. And the theory most recognized as a justifying governments is the social compact which holds that people voluntarily give up certain of their natural rights in order to have others protected.

A method of justifying governmental practices follows from this theory. When some action is proposed, one needs only ask if reasonable people would have been willing to accept it in the social compact if made aware of it. But it is extremely doubtful that a person, when asked to join a society being formed by compact, would have been willing to join if it meant that he could thereafter be treated as second-class, having fewer rights and



opportunities than other first-class citizens. Yet this is exactly what has happened in human societies throughout history. Governments, no matter how established, gravitate toward ruling to benefit one class of citizen at the expense of others. All such societies are unjust by nature, and the people have not only a right, but a duty to rise up against them. And although riots and terrorism may not equal a full blown revolution, their aim is revolutionary since they are the cries, if not the demands, for justice, and the only just response to such acts is to make the changes desired. Conflict, hatred, and anger will continue to exist as long as one group of human beings make a practice out of treating other groups of human beings as second-class people, unworthy and undeserving of equality. And although such groups of second-class citizens may for generations tolerate such abuse, sooner or later the anger and hatred will overcome and the violence of conflict will begin. Although it seems astounding, there will be some people who will wonder why.

## DEMENTED DEMOCRACY

*Ah, democracy, rule by the people, the promised path to just government and the end of tyranny. What ever happened to it?*

Finian Cunningham writes, "From 1945-97, there was at least the semblance that the British Labour Party in particular represented the interests of the working and lower middle classes. But under the 'reforming' leadership of Tony Blair and his successor, Gordon Brown, 'New Labour' has become indistinguishable from the other main parties in terms of slavishly fawning over big business and the wealthy elite. Prior to the 1997 election, which brought Labour to government, one senior Conservative smugly noted that, in terms of economic policy, there was 'not a cigarette paper between' the Thatcherite Tory Party and Blair's New Labour." In America, this has been the reality for decades. How many times have the people had to choose between the least evil of two candidates? America has but one political party—the Republicrat.

A recent report in the Guardian goes, "While the US and Britain slide towards oligarchy, the forced elections in Afghanistan and Iraq have brought no good. The west's proudest export to the Islamic world this past decade has been democracy. That is, not real democracy, which is too complicated, but elections. They have been exported at the point of a gun and a missile to Iraq and Afghanistan, to 'nation-build' these states and hence 'defeat terror'. When apologists are challenged to show some good resulting from the shambles, they invariably reply: 'It has given Iraqis and Afghans freedom to vote.'"

But democracy has taken an even more sinister turn – fraud and the rejection of results.

When Hamas won the election in the Gaza Strip by a large majority the results were rejected by Fatah and the western nations that had previously advocated that very election and had agreed to abide by the result.

The AP reported that “Hassan Turabi, the leader of the Islamic Popular Congress Party, said . . . his group would reject the results of [the] vote [in the Sudan] and challenge them in court. . . . Election observers say the vote fell short of international standards.”

The BBC writing on Iran’s last election reported that “Mahmoud Ahmadinejad . . . won some 62.6% of the vote in an election marked by a high turnout of 85%, official figures show. Supporters of pro-reform candidate Mir Hossein Mousavi have cried foul and clashed with riot police in Tehran, despite a ban on public protests.”

It was widely reported that the 2009 presidential election in Afghanistan was characterized by lack of security, low voter turnout and widespread ballot stuffing, intimidation, and other electoral fraud. Two months later, under heavy U.S. and ally pressure, a second round run-off vote between incumbent President Hamid Karzai and his main rival Abdullah Abdullah was announced for November 7, 2009. However, Abdullah announced that he would no longer be participating in the run-off because his demands for changes in the electoral commission had not been met, and a “transparent election is not possible.”

When former Prime Minister Ayad Allawi's Iraqiyya list won the election in Iraq by two seats, Nouri Maliki mounted a legal challenge and suggested that six of the winning candidates should be disqualified because of alleged ties to the former Baath government.

And now Paul Craig Roberts writes, "The hypocrisy of the US government is yet again demonstrated in full bore force. The US government invaded Iraq and Afghanistan, laid waste to much of the countries including entire villages and towns, and massacred untold numbers of civilians in order "to bring democracy" to Iraq and Afghanistan. Now after days of Egyptians in the streets demanding 'Mubarak must go,' the US government remains aligned with its puppet Egyptian ruler, even suggesting that Mubarak, after running a police state for three decades, is the appropriate person to implement democracy in Egypt."

What is one to conclude from all of this? Is it that democracy is wonderful so long as those already in power remain there?

This democratic dementia is the result of a long term trend.

Aristotle, one of the world's deepest thinkers, is often blamed for defining mankind as rational even though he never did. He did, however, consider mankind as rational, and he used that notion in an example when writing about definition, which is, I suspect, the source of the misbelief.

That Aristotle chose to use the word man in this context suggests that the notion of mankind as rational was quite common in classical Greece, so common that no one would question it and sidetrack the discussion about definition. After all, Aristotle was a

student of Plato's and Plato's Dialogues provide us with a model of a rational man—Socrates. But most of the characters in the Dialogues are not rational to the extent that Socrates is. They are, however, persuadable when presented with evidence and logical argument. And I suspect that that's what Aristotle means when he writes, in the *Nicomachean Ethics*, that human beings have a rational principle; he means that human beings are persuadable.

The Greek notion of rationality, however, was quite different from ours. In the phrase "zoon logikon" (animal-rational) "logikon" is not exactly what we mean by "rational" That term, to the Greeks, refers to the power to think and other attributes needed to distinguish humans from all other animals. At least one of these attributes is believing, as, for instance, in the statement man is a believing animal. So to the Greeks, a person whose mind is cluttered with beliefs would be a zoon logikon. The Greeks would have distinguished such a person from a logical person, and at least Plato and Aristotle valued a logical person more highly than the merely rational. Not so today!

Today, at least in America, beliefs, which are often merely unsupportable opinions, seem to be valued higher than knowledge which is based on evidence and supported by logic. So, in a sense, creedal man has replaced rational man. Belief has come to trump knowledge. Mankind has become creedal, ideological.

Ideological groups, however, consist of true believers who cannot be persuaded. When an ideology is adopted, it is as though evidence and logic are no longer needed. The ideology contains an answer to every question, a solution to every problem. Evidence, logic, even truth become irrelevant.

In doing so, however, mankind has divided itself into impersuasive groups that clash with each other. Ordinarily, people consider such groups to be religious. Where their ideologies differ, for instance, Moslems and Christians will never agree. People holding incompatible notions cannot agree. Sooner or later, the result is either a religious war or total separation. But antagonistic groups arise everywhere ideology is used to guide human behavior. Capitalists and Socialists will never agree; Capitalism and Socialism are incompatible ideologies. Neither will Democrats (who truly represent the people) and Republicans (who represent the commercial class) or environmentalists and exploitationists. Every ideology becomes a religion, and every religion has its own solution to every problem. Because mankind has abandoned knowledge for belief, peace on earth has become an impossible dream.

Even logical enterprises like science have become creeds. Just as Christians believe that the second coming will solve all of mankind's problems, many now believe that technology will. But no one knows that; it's a mere belief. When the results of technology are examined, it becomes obvious that technology is at least as harmful as it is beneficial. It, after all, has given mankind weapons of massive destruction which may be used to annihilate everyone. It has also given mankind the means that enable governments to watch everyone. Technology has provided governments with totalitarian tools that are more effective than any mankind has previously known.

Plato and Aristotle surely must have known how important belief was even in the minds of their fellow Greeks and the deleterious effects of it. So, both Plato and Aristotle sought to replace belief in people's minds with knowledge which is what every Platonic

dialog does. Plato and Aristotle knew that only when mankind adopts evidence and logic can people become persuasible, and only persuasion can remove the ideological conflicts that divide mankind into antagonistic groups.

Recently, Christopher Hitchens and Tony Blair debated the question, Can religion be a force for good in the world? On the one hand, Hitchens stated that we don't need divine permission to know what good action is, but he also stated that we can't rely on people to be innately good. So then what standard do we rely on? He never tells us.

Blair, on the other hand, argued that we shouldn't blame religion solely for the world's problems. So then, what is it about human nature that causes some people, in the name of religious and political systems, to do bad things? This question is also never answered.

Blair admitted that some people have committed evil in the name of religion, but this has been completely outweighed by its goods. Hitchens continually denounced religion as fostering a mentality that makes "good people do unkind things."

The question debated was never resolved because both debaters argue from their beliefs. Each debater talks past the other. But the most interesting part of the debate came when instead of making a closing statement, Blair and Hitchens decided to take one last question: 'Which of your opponent's arguments do you find most convincing?'

Blair answered first. "I think that the most convincing argument is – and the argument that people of faith have got to deal with

is actually the argument Christopher has just made – which is that the bad that is done in the name of religion is intrinsically grounded in the scripture of religion. That is the single most difficult argument.” He must have had in mind the Torah’s exhortations to exterminate whole nations, men, women and children and other similar passages.

Hitchens said: “The remark Tony made that I most agreed with this evening, I’ll just hope that doesn’t sound too minimal, was when he said that if religion was to disappear, things would by no means, as it were, automatically be okay.”

In the end, Blair recognized that religious ideologies in the form of scripture contain evil aspects. Hitchens, on the other hand, admits that the elimination of religion alone will not make mankind good.

Both, of course, are true, but both also fail to see that the elimination of belief and its replacement by truth arrived at by evidence and logical argument is the only way to resolve the question, for otherwise, neither side can persuade the other. Without the willingness of people to accept only logical evidence based on fact or agreed upon assumptions, no one will ever persuade anyone of anything. It is this unwillingness based on unquestionable ideologies that makes persuasion impossible.

The topic of this debate could just as well have been either of the following two: Can belief be a force for good in the world? Can ideology be a force for good in the world? And the answer to the original and these two is no. Only knowledge sought and applied in moral ways can effectively be a force for good in the world.



Recently, members of Congress and the President have been at odds over compromising which seems difficult to achieve. The Republicans are willing to accept something the Democrats want only if the Republicans get all of what they want, which is a paradigm case of an ideological conflict. Nothing good can come of it. But nothing good can come from compromise either. Combining some of the beliefs derived from two antagonistic ideologies always results in unworkable policies. For instance, when the right opposes social programs that the left advocates and a compromise occurs in which the right accepts some limited social programs and the left accepts the limitations, the result is inadequate and ineffective policy. The same is true of most of the social problems that afflict America today. All attempted solutions are compromised into ineffectiveness. This won't change until the ideologies are abandoned and problem solving relies on evidence and logic. In all cases religion, in the wide sense of ideology, can never improve mankind's condition.

This addiction to opinion, each person being entitled to his own, and the unwarranted notion that those who fight for their beliefs are "principled" is why democracies teeter between antagonistic belief systems and are unable to resolve any social problems. Each party strives to repeal the policies enacted by the other which paralyzes the political process. The problem is worldwide. Democracy itself is falling into this ideological abyss. When elections are held the losers now routinely reject the outcome yelling "fraud"! Often it leads to demonstrations and violence. When people reject the grounds for persuasion, conflict is the inevitable result. Democracy cannot function when people are not persuasible.

## DEMOCRACY IN AMERICA

I am past the sixth decade of life in America, and I have done all the conventionally right things: I went to public schools, served in the military, graduated from two universities, and have been gainfully employed all of my adult life, contributing to the federal treasury during all of those years. I have also been a close observer of Congressional action for more than half a century, even having worked on Capitol Hill as a senatorial staffer for a short time. And I have come away with one salient observation-- The Congress has not solved or even ameliorated a single social problem it has addressed, many numerous times. The consequence, of course, is that many Americans have lost all confidence in their government.

In December of 2006, just 11% of American voters give the outgoing Congress good or excellent marks. Voter dissatisfaction with Congress is apparent. Just 14% says that Congress has passed legislation that improved the quality of American life, and 61 percent says Congress hasn't done a thing to improve the lives of most Americans. Fifty-one percent, says serious Congressional action addressing important problems is not likely, and seventy-four percent believes that most members of Congress are more interested in advancing their own careers than helping people. In 2005, a Rasmussen Reports survey found that Americans were more likely to trust a used-car salesman than a member of Congress. Not a pretty picture, is it?

More than 50% of registered voters have voted in national elections only eleven times in the last 23 elections (almost half a century), and in eight of those elections, fewer than 40 % have voted.

The conclusions are obvious--democracy in America is a failure. Our Congressional representatives do not govern with the

consent of the people. In reality, our democracy is nominal; in reality we are governed by an oligarchy of special interests.

The amount of money contributed by special interests to politicians and spent on lobbying them is obscene. No congressman admits to being corrupted by this money, but the people are not fooled. They know what classical wisdom has taught--*Beneficium accipere libertatem est vendere!* (To accept a favor is to sell freedom.) They know that, Where large sums of money are concerned, it is advisable to trust nobody. And although Congressmen deny that their votes have been bought, we all remember Emerson's, What you do speaks so loudly that I cannot hear what you say.

There is one absolutely irrefutable proof of this corruption: No Congressman exhibits any shame for the low esteem in which the Congress stands in the minds of the people. And surely, this corruption has played a huge role in the Congress' inability to solve the social problems it has attempted to address. But it is not the sole reason.

Legislatures in America are dominated by lawyers, often mediocre lawyers. In addition to the fact that the legal profession has never had a pristine reputation for either a devotion to the truth or justice, the American legal system is adversarial in nature. Lawyers are not taught to seek the truth or even seek justice. Prosecutors seek convictions and defense attorneys seek the best outcome for their clients that they can get, regardless of whether the defendant is guilty or not. Consequently this adversity is not conducive to searching for the truth or solutions to social problems. Legislators adopt points of view that they seek to enact into law for the benefit of those groups whose point of view they represent. Just as in a courtroom, these legislators become advocates of special interests. The good of the country or of the people is replaced by the good of the interests the

legislators represent, and although legislators are nominally representatives of their constituents, in reality they are mere mouthpieces for those whose money put them in office.

Furthermore, the adversarial aspect of our legal system causes legal educators to emphasize the techniques of winning, and misrepresentation of the truth is one of those techniques. Logic, on the other hand, is not a core part of a legal education; neither is problem solving. It would be interesting to know how many members of Congress have ever heard of, no less know, Descartes Rules for the Direction of the Mind , his Discourse on Method, or Mill's Methods. The mere fact that the Congress produces legislation hundreds of pages long is irrefutable proof that Congressmen lack this problem-solving knowledge. No one, no Congressman or anyone else, can read a proposed piece of legislation hundreds of pages long and be certain that what was stated on an earlier page has not been altered or even contradicted on a later page. The result is legislation that is, for the most part, ineffective.

So our democracy is a sham, the Congress does not govern with the consent of the people, and Congressmen do not represent the people who are their constituents. The government envisioned by our Founding Fathers has been corrupted and, given the people who are attracted to politics, most likely beyond reform. What is often referred to as a Great and Noble Experiment has become an Ignoble Cabal, and history will not view us kindly.

## DEREGULATING THE ELECTRIC POWER INDUSTRY

Legislators, whose knowledge of economics consists of a list of slogans, no matter how well intentioned, can cause insurmountable problems for their constituents.

Two years ago, the Texas legislature began deregulating electricity in Texas. It has not gone well. Electricity rates have skyrocketed to, I believe, the highest in the nation. The people are angry, and legislators are asking questions but not the right ones. Two legislators deeply involved in this deregulation scheme are Senator Troy Fraser and Representative Phil King, who is quoted as having said, "When you have a competitive market that's competitively structured, you're always going to get the best price and the best innovation and the best service," a trite slogan if there ever was one (and not even logically sensible either).

The responses to questions given by the heads of Texas power companies were ludicrous; yet no one seemed to point that out. When why, after pledging to lower prices when the price of natural gas fell, TXU didn't do it, TXU's chief executive, John Wilder, said that the company had surveyed some of its customers and found that they preferred stable prices rather than prices that follow natural gas markets. But no one, apparently, asked, which customers TXU surveyed. How many were households? And no one asked why TXU had pledged to keep its price at the level that corresponds to the natural gas markets after the hurricanes rather than the markets that were in effect before? His response amounted to telling the legislators at the meeting that TXU pledged to keep its price pegged at the highest level the natural gas markets have ever seen. Nice deal for TXU; not so nice for the people of Texas whom the legislature is supposed to represent; yet apparently no one called him to account. Does any legislator really believe that his constituents advocate that price level, and

does any believe he could be elected if he campaigned by pledging to keep Texas electricity rates the highest in the nation? I think not. If nothing else, what these legislators demonstrate is an absolute ignorance of economic principles.

Although it is generally true that competition is preferable to monopoly in any economy that exhibits some measure of free enterprise, one or another of two things is required if such competition is to effectively place downward pressure on prices: one is elasticity and the other is that supply must exceed demand. Neither of these conditions is true in today's electricity market.

A product is said to be elastic if there is at least one other product that consumers can use instead. The clearest examples are in foodstuffs. If the price of beef gets too high, consumers can switch to pork, chicken, lamb, or fish. But electricity is not elastic. No other product exists that consumers can use instead, and in today's world, they cannot do without it. So they have no choice but to pay whatever price the provider chooses to charge. Not a good deal for people!

Notice that I exemplified elasticity with beef, not Swifts Premium beef or Hormel beef, for although there may be slight differences in price between the two, the differential is never enough that switching from one brand to another would matter much. And that has been the case with electricity rates in Texas since deregulation began. TXU's price was called the price to beat and there are other providers whose prices beat it. But when most consumers looked at those prices, they shrugged their shoulders in indifference. The differentials were not enough to make the switch worthwhile, and when TXU successfully got permission to raise its price to beat when the price of natural gas rose, these other providers quickly raised theirs too. So much for competition.

Now someone may say that when one airline's prices get too high, consumers switch to other airlines, and its true; however, theres a difference. In airline travel there's a distinction between high frill and no frill airlines. There is no such thing as high or low frill electricity.

For competition to effectively reduce prices, supply must also exceed demand. Say we have three orchards growing apples, and assume that the growers know that they not only can sell every apple they grow, they know that if they could grow more, they could sell those too. Why would any of the three reduce his price? As a matter of fact, this situation can result in the raising of prices, for a grower may raise his price, knowing that although the other growers apples may sell faster, when they are all sold, consumers will buy his at the higher price. Competition would only result in lower prices if the growers knew that they were unlikely sell all of their apples, and the grower with the lowest price would sell more of his than the others would. But that situation is not true in the Texas electricity market. Supply barely meets demand, and in summer, there are times, as brownouts prove, that it can't even meet demand.

There was a time, of course, when supply did exceed demand, and in order to sell more of the electricity being produced, electric companies had rates that declined with usage; the more electricity a consumer used, the lower the per unit rate. Those days, however, are long past.

So since electricity is not elastic and supply does not exceed demand, competition not only will not, it cannot be an effective price reducer.

What, then, has the Texas legislature done? It has sold the people of Texas a pig in a poke and given a goose that lays golden eggs to the electricity companies. It is difficult to see how this can be construed as representing their constituents.

## DICK LAMM'S EIGHT WAYS TO DESTROY THE AMERICAN DREAM

It has been reported that Dick Lamm, the former Governor of Colorado, gave a speech on how to destroy America at an immigration overpopulation conference in Washington, DC. His eight ways to destroy America are,

First turn America into a bilingual or multi-lingual and bicultural country.

Second, invent 'multiculturalism' and encourage immigrants to maintain their culture, make it an article of belief that all cultures are equal.

Third, make the United States an 'Hispanic Quebec.'

Fourth, make our fastest growing demographic group a second underclass, unassimilated, undereducated, and antagonistic to our population.

Fifth, get big foundations and business to give these efforts lots of money.

Sixth, enable dual citizenship and promote divided loyalties.

Seventh, make it taboo to talk about anything against the cult of 'diversity.'

Eighth, censor Victor Hanson Davis's book Mexifornia.

Well, I haven't read Mexifornia and even if doing all eight of these things would destroy the American Dream, Mr. Lamm puts the blame for the destruction in the wrong place. The immigrant is not the problem.

The African who was captured, bound, and shipped to America to be sold as a slave was not responsible for the practice. White Americans in business and government were. The same is true for the Latinos, Asians, Arabs, and others who have immigrated to this country either legally or illegally.



Why do they come? Because they believe America presents them with economic opportunities. Why does it do that? Because American business wants it that way and American business gets what it wants. Remember Calvin Coolidge? "The business of America is business." And to get what it wants, business corrupts the Congress and state legislatures. We have been led to believe that business lobbying is protected by the Constitution. It is not. The Constitution provides, "the right of the people . . . to petition the government for a redress of grievances." Petitioning for special favors is not a Constitutionally protected right.

There are only two ways to solve the problem of immigration. Either prohibit the employment of illegal immigrants and enforce this prohibition rigorously, or develop the economies of the nations from which these immigrants come. American business doesn't want the nation to do either. American business wants cheap labor, both here and abroad. That's why immigrants find jobs here, and that's why American businesses offshore employment to third world nations.

Does anyone really believe that Latinos or the people of any other nation would come to this country if they could make decent livings in their homelands?

American business, with the help of the American government, has exploited the people of Latin America since day one, and it is now in the process of exploiting the peoples of other parts of the world. As a result, the vast majority of Americans of every race are getting poorer, and the nation's foreign policies that support American business are bleeding us dry, both literally and financially.

The result? Tell Governor Lamm we are doomed, the American Dream is already a nightmare, and the melting pot never got hot enough to melt anything. Immigrants have had nothing to do with it. American politicians and businessmen have done it,

continue to do it, will resist any effort to change it, and railing at immigrants will have no effect at all.

## DID THE AMERICAN CIVIL WAR DEAD DIE IN VAIN?

There was a time when every school child could recite the Gettysburg Address from memory, especially its famous peroration: "we here highly resolve that these dead shall not have died in vain, that this nation shall have a new birth of freedom, and that government of the people, by the people, for the people shall not perish from the earth." But exactly what did the Civil War accomplish?

Most certainly, it preserved the union and abolished slaverytwo noteworthy things. But the slaves who were freed, rather than being benefited by their freedom, were left in the lurch, and the prejudicial attitudes of Confederate whites were most likely hardened; they most certainly were not softened. So although the war united the nation, it failed to unite its peoples, and that division is still evident today.

This past Saturday, August 6, 2005, The Dallas Morning News ran a feature about this division entitled Beyond the Red and Blue. Using the red states that went to President Bush and the blue states that went to Senator Kerry, it pointed out how red and blue states ranked in various categories.

People in red states are less healthy than those in blue states.

People in red states earn less than those in blue states.

People in red states are less educated than those in blue states.

More people in red states live in mobile homes than those in blue states.

The red states have higher birth rates among teens than the blue states.

More people are killed by guns in the red states than in the blue states.

And the Dallas Morning News missed a number of other inferior attributes of the red states.

The red states have higher rates of poverty, both generally and among the elderly, higher rates of crime, both general and violent, have higher rates of infant mortality and divorce, and have fewer physicians per unit of population than do the blue states.

These statistics do not paint a pretty picture. And since the red states are commonly referred to as the conservative heartland, one would think that the people who live in these states would vote against conservative candidates merely on the basis of their own rational self interests. But they don't.

And there's an obvious clash here, for the red states are the home of that group that calls itself "moral America." But how can a moral viewpoint countenance poverty, crime, and infant mortality? What kind of morality is it that doesn't care for the welfare of people? Just what moral maxim guides the lives of these people? Certainly not the Golden Rule or the Second Commandment of Jesus. From what I have been able to gather, moral America lacks a moral code. It is, to use a word the members of this group dislike, relative.

So what motivates the conservative nature of the people in the red states? Lets look at some history.

For a century after the Civil War, the south voted Democratic, but not because the people shared any values in common with the rest of the nation's Democrats. (They even distinguished themselves from other Democrats by calling themselves Dixiecrats.) These people were Democrats merely because the political party of the war and reconstruction was Republican. And when, in the mid-twentieth century, the Democratic Party championed an end racial discrimination, these life-long Democrats quickly became Republicans, because the Republican party had in the intervening years become reactionary. So what motivates these people even today, though most likely they don't

recognize it, is an unwillingness to accept the results of the Civil War.

What did the Civil War really accomplish? It united a nation without uniting its people. The United States of America became one nation indivisible made up of two disunited peoples.

And there is a lesson for all nations to be learned from this. By the force of arms, you can compel outward conformity to political institutions and their laws, but you cannot change the antagonistic attitudes of people, which can remain unchanged for decades and longer, just waiting for an opportunity to express themselves.

Any astute reader can apply this lesson to the present day's activities in the Middle East.

Force cannot win the hearts of people. And those who die in an attempt to change a people's values always die in vain.

## **“DISEASES OF FACTION”: REAL DEMOCRACY ON ITS DEATHBED**

*“(Liberty) is indeed little less than a name, where the Government is too feeble to withstand the enterprises of faction.” George Washington*

Governments do not exist for the benefit of common people, those people referred to in the Constitution as “We the people.” Regardless of what officials claim, common man exists merely as a means to fulfill the ends the factions in control wish to attain. Madison’s “diseases of faction” have put democracy, here and everywhere, on its deathbed. In Washington and Cairo you can see its death throes. The one possible cure seems impossible to administer. Human beings must be treated as ends in themselves, not as means. Human beings will either work to promote the welfare of humanity or they will ultimately exterminate each other. Einstein is reported to have said that he did not know what weapons would be used to fight World War III but that World War IV would be fought with sticks and stones. That anyone who would make such a statement is, in itself, absolute proof of how far humanity has descended into the depths of degradation. People, we are not making the world better! Soon, even Satan will blanch at the sight of human brutality.

As a young university student I experienced an empowering shock when I learned how much better educated and thoughtful some of the people who helped found the American nation were than those who followed them have been. Those founders were acquainted with the writings of Montesquieu, Gibbon, Rousseau, Hobbes, Locke, Smith, and many more. How many of our federal officials today could boast of such acquaintance? Washington knew that treaties with foreign nations were entanglements

which not only reduced a nation's sovereignty but were hard to be extricated from and warned the young American nation against them. John Adams knew that "Banks have done more injury to the religion, morality, tranquility, prosperity, and even wealth of the nation than they can have done or ever will do good." Jefferson knew that merchants have no patriotic attachments, and James Madison knew of the "diseases of faction" and that "A standing army is one of the greatest mischief that can possibly happen."

Despite all of this salient advice from our founders, America has now ensnared itself in all of these horrors. Treaties comprise the nation's foreign policy, too big to fail banks have taken control of the government, merchants of great wealth stash it overseas in tax havens, a military-industrial complex devours the nation's resources without winning wars, and the government has been paralyzed by factions.

In America, Republicans and Democrats are at loggerheads. Why, people ask, are Republicans ignoring the last election's results that clearly demonstrate that a majority of Americans have rejected Republican proposals? In a democracy, the majority's views are expected to prevail. But not in today's Congress. The Republicans still hold strongly to the views that the American voters soundly repudiated. How can this be democratic?

Well, it can't. What now passes for democracy has changed. The United States broadcast this change, although few recognized it, in 2006 when, after promoting the fair election in Gaza, it rejected the result because Hamas and not Fatah emerged victorious. From that point on, the world knew that democratic elections become valid only when the status quo factions win. Since then,

throughout the world, factions that lose routinely reject electoral results. America, the nation that prided itself in being the country that fought to make the world safe for democracy, now quashes it. Almost two years ago, I posted a piece about this change titled, Demented Democracy. Democracy has changed because the nature of factions has changed.

Although once factions might have consisted of people who disagreed about this or that, now a faction is comprised of a group with a fixed aim, that aim being the creation of a society that embodies the deeply held beliefs about the world and man's place in it that the members of the faction hold. The aim is never the common good.

The Republicans in Congress oppose the policies of Obama not because their views have the support of the people; they oppose those policies because of the belief that conservative policies are fundamentally right regardless of how the common people feel or fare. Boehner has offered a Plan B to resolve the government's fiscal crisis in an effort to make the President to "bear the responsibility for imposing the greatest tax increase ever on the American people." Boehner clearly is merely interested in assigning blame, caring nothing for the fate of the nation or its people.

Muslim fundamentalists want to establish societies governed by sharia law, the moral code and religious law of Islam. Christian fundamentalists act as if they would like to establish a society based on what they would define as Christian principles. But both Islamic and Christian factions are alike. Neither is concerned with the common good. Whether people fare well in Islamic or



Christian states is irrelevant. All that matters is the nature of the society.

All factions now operate in this way. The pro-gun lobby wants a society with unfettered access to guns regardless of how many people get killed by them; the gun-control lobby wants a society with few if any guns regardless of how that would affect traditional American practices and lifestyles.

Because of this attitudinal change in what constitutes a faction, democracy has disintegrated into meaninglessness. Yet factions have now taken two even more sinister turns. They have become global and absolutely intolerant.

Consider al-Qa'ida, for instance, which merely means "the base." It is an informal, global alliance of militant jihadist groups that seeks to eliminate foreign influences from Muslim countries, destroy Israel, and create a new Islamic caliphate. It wants to build a new society based on sharia law and to do so whether the common people prosper or perish. Although Americans tend to speak about it as an organization with chosen leaders and commanders, it is not. Except for being global, it is like America's tea party—people united by a set of beliefs and goals. It is such a loose-knit group that writers are unsure of how to refer to it. Some call various groups al-Qa'ida "inspired," some "linked," and some even "franchised." But they are none of these. They are merely "like-minded," and like all such groups, al-Qa'ida cannot be eliminated militarily, no more than conservatism can.

The intolerance of such factions can be seen from what is going on in Washington and in Egypt. The refrain of the opposition is, "All or nothing at all." Take a look at Egypt.

In early 2011, the Arab Spring began in Egypt aimed at deposing the Mubarak government. Mubarak resigned in February, and the Egyptian military took control of the nation. The military command dissolved both the constitution and the parliament. A constitutional referendum was held in March, and in November, the first parliamentary election since the previous regime had been in power was held. Turnout was high and there were no reports of irregularities or violence. The military dissolved this parliament, and Egypt's new president, Mohamed Morsi, overrode the military edict and called lawmakers back into session. Shortly thereafter, the Supreme Constitutional Court negated the President's calling of the parliament back into session. In November, President Morsi sought to protect the work of the constitutional assembly by issuing a declaration immunizing his decrees from challenge and authorizing himself to take any measures necessary to protect the revolution. Liberal and secular groups which had previously walked out of the constituent assembly because they believed that it would impose strict Islamic practices accused Morsi of usurping all state powers and appointing himself Egypt's new pharaoh. These acts by the non-Islamic factions led to more protests.

President Morsi offered a "national dialogue" with opposition leaders but refused to cancel the Dec. 15 vote on a draft constitution. But even before the votes of the referendum were counted, the opposed factions began to question the validity of the vote. Twenty-six million voters were eligible to vote, but only 32 percent of them did. Besides the low turnout, the constitution was approved by "a slim margin" of 56 percent. Opponents have said a "low" turnout and a final majority in favor of the constitution of less than 70 percent "would raise damaging questions about how representative the document is of the

nation.” All of which proves that deposing a sitting government is much easier than creating a new one. Elections, even fair ones, carried out by self-styled proponents of democracy no longer have any meaning. If a faction loses, it merely keeps opposing by creating continuing turmoil and civil disorder. Nothing matters until one faction manages to dominate all others. Democracy becomes authority!

The Egyptian people, just like Americans, are disillusioned. In one Cairo neighborhood, the draft charter is seen as a struggle between elites. “All the struggles you see are for positions, just for power,” said Mohamed Mohamud, 56. . . . I blame both sides. While they are protesting, eating and drinking, they are ruining my business. There is no security, no jobs. Even if we agree with the constitution or don’t agree, the problems will happen, and I don’t know the end of this.” “Who are these people?” said Ala Abdi, 36, who is unemployed. He said he was not fond of Morsi but disliked Morsi’s opponents, who include former Mubarak figures, even more. “I believe these people are just for special interests and don’t want the country to move forward. These people say ‘no’ to all of Morsi’s decisions. Could every decision be wrong? That’s not possible.” Most Americans could be saying the same things!

## DUMBOCRACY'S DEMISE: HOW "FAKE DEMOCRACY" DESTROYS "REAL DEMOCRACY"

*"Anything you can do, I can do better. I can do anything Better than you." – song from Annie Get Your Gun*

The conventional wisdom is that democracy is the best form of government. As the imperialist demagogue Winston Churchill, put it, "It has been said that democracy is the worst form of government except for all the others that have been tried." But such conventional wisdom comes by default. No one has ever offered any evidence in support of it. In fact, no one even knows what such evidence could be. No established criteria exist for the comparative adjectives worst, worse, bad, good, better, and best when they are applied to governments.

Furthermore, that democracy is the best form of government has not always even been the conventional wisdom. Plato, who founded his Academy in Athens around 400 BCE, where democracy is said to have originated, writes, "Dictatorship naturally arises out of democracy." And at least some of those who wrote the American Constitution in the 1700s were well aware of democracy's pitfalls and that no democracy had endured for any length of time. John Adams writes, "Remember, democracy never lasts long. It soon wastes, exhausts, and murders itself." Despite their knowledge, the Constitution's writers persisted, believing that they could build a nation that avoided the faults that had destroyed earlier democracies. But they were wrong!

In fact, no genuine democracy has ever existed. The citizens of no nation have ever governed themselves. Lincoln's "of the people,

by the people, and for the people” is pure bombast. What has passed for democracy has always been some form of representational oligarchy. But no one can represent two different ideologies at once. Even the word ‘democracy’ has never been adequately defined. If you read the Wikipedia article, you will find numerous different forms of government described, all of which are named democracies but differentiated by a qualifying word. There is representative democracy, constitutional democracy, people’s democracy, etc. As George Orwell says, “It is almost universally felt that when we call a country democratic we are praising it; consequently, the defenders of every kind of regime claim that it is a democracy, and fear that they might have to stop using the word if it were tied down to any one meaning.” Talk about an unqualified democracy is nonsense.

Democracy’s weaknesses are well known. Electorates are poorly educated and inadequately informed. Politicians are corrupt. People are diverse; diversity leads to factions; factions are combative; the combativeness requires a resolution; oppression resolves it. As Mahatma Gandhi understood, “The spirit of democracy is not a mechanical thing to be adjusted by abolition of forms. It requires a change of heart.” As present day India demonstrates, changes in heart seem to be impossible to achieve.

Between the two world wars, two Italians, Vilfredo Pareto and Gaetano Mosca, claimed that democracy was an illusion that served only to mask oligarchic rule. They claimed that oligarchy is the result of apathy and disagreements among common people as opposed to the drive, initiative, and unity of those who really control society. Pareto’s and Mosca’s error is that they defined the oligarchy as ‘elite,’ and instead of empirically discovering what characteristics these people share, ideal characteristics are

attributed to them. Such thinkers seem always to believe that those they believe rule are a select group with a certain ancestry, higher intellect, and wealth whereas if the characters of those in the ruling class were identified empirically, it would have been discovered that they are in reality egomaniacal, shallow, greedy, unimaginative, uncaring, and grossly immoral. Such people never perform good deeds. They are not the best and the brightest, but the worst and the dullest. Original ideas are not a product of their status quo attitudes. See my piece, "The Psychopathic Criminal Enterprise Called America." Pareto and Mosca are right, however, in attributing superior organizational skills to the ruling class, skills which are especially useful in gaining political power.

But even the oligarchic democracies described in the Wikipedia article once gave a better appearance of rule "by the people" than they do now. Elections were held, ballots were counted, and the winners took office. Well-organized minorities are now unwilling to accept elected governments. The results of elections are merely rejected by the losers. I have written about it in a previous piece: "Demented Democracy."

When this tendency began is uncertain, but it was certainly given a boost when the United States and its Western allies rejected the results of the election held in Palestine on January 25, 2006. The election was encouraged by the United States and its allies. They admitted that it was not fraudulent. Yet they rejected the result when Hamas rather than Fatah prevailed. The rejection exposed the West's claim that it promotes and protects democratic movements as a lie. The West was only interested in the outcome. When the result was not what it favored or expected, that the result was determined democratically was irrelevant. If the great defender of democracy could turn its back on a valid democratic

election, so could anyone else. Now the rejection of election results is a common practice. Egypt, Thailand, Turkey, Syria, Ukraine are well known examples.

In the countries where this is happening, those who lose elections are easily provoked into public demonstrations in attempts to foster regime change. Sometimes they succeeds; sometimes they don't! But they always cause conflict. And even if regime changes occur, the regimes that come into power are not always the ones sought by the demonstrators. Just look at what happened in Egypt.

Egyptians began demonstrating in Tahrir Square and elsewhere on January 25, 2011, demanding that President Mubarak be removed from office. The demonstrations brought about the government's fall. Mubarak was imprisoned. Elections were held, a Constitution was written by the winning followers of the Muslim Brotherhood. Mohammed Morsi prevailed. But the unwillingness of many urban Egyptians as well as many of the Mubarak government's elite to accept the results of the election brought the anti-democratic, repressive military back in full force, likely destroying the prospect of democracy in Egypt for some time. President Morsi and other leaders of the Muslim Brotherhood were rounded up and arrested. Egypt's Monopoly gameboard has a square on it that says, "Win an election. Go straight to jail." Not only was the revolution undone, tyranny follows. The consequence of this tendency of peoples to reject the outcomes of elections is bizarre. This attempt to bring about better government produces government which is worse! Of course, similar events can occur in Ukraine and elsewhere.

You see, a fundamental function of government everywhere is conflict resolution. But the oligarchic democracies the world has become accustomed to, those governments comprised of factions, cannot resolve conflicts. When an election is a contest between people representing contrary factions, unless one faction prevails in all contests, conflict in government is inevitable. The elections exacerbate the conflicts. Fundamental factional views cannot be compromised. Even when possible, compromises between those who want to do something and those who want to do nothing always result in ineffective policies which the factions can then use against one another. "Inadequate spending" becomes "wasteful spending," for instance. Thanks to institutions like the Kochacola Court, these fundamental conflicts persist decade after decade. When Lincoln emancipated the slaves, he merely transformed the concept of slavery into the concept of racism. The people who were once enslaved were evermore to be considered as second class human beings. Separation of the parties or the oppression of one of them becomes the only solution to such fundamental conflicts. Government allowed people to oppress the blacks Lincoln freed to create a semblance of unity. Egypt's military rulers are oppressing the Muslim Brotherhood for the same purpose. When governments can't resolve conflicts, the conflicts are hidden by oppression.

The practices that nation's use to stir the witches' cauldron to bring about regime change are childish tit for tat games. Anything one government can do, another can do too. The practices do nothing more that generate conflict. When the tit for tat becomes the rat a tat tat of machine guns, we will all pay the price in pounds of flesh and gallons of blood. And absolutely nothing will ever be better for it. Generating conflict is dumb! Those who start wars often lose them.



The advocates of democracy who believe they can make things better by rejecting the results of elections make even our oligarchic democracies dumber than they already are. They are then undone by the emergence of tyranny. The well known history of democracy, which our ruling oligarchies have ignored, then repeats itself. Time marches on a treadmill.

Thanks to the proliferation of communications devices, disillusion with political leaders is spreading. In the United States, the approval ratings of government are dismal. There is a general dissatisfaction with the ruling class across much of Europe. The so-called "Spring" exhibits the disillusion in the Arab world. Disillusion is growing in India, Japan, and Turkey. Never has the world seen such disillusionment. No institutions have emerged to dissipate it. The ruling class is under fire almost everywhere; yet it is completely effete. The danger is that it will everywhere revert to tyrannical policies as it has throughout history. If the "change of heart" that Gandhi mentions was ever needed, it is needed now.

## EMPLOYEE BLOGGING AND FUNDAMENTAL FREEDOMS

In "Employee blogging a growing source of concern," Lisa Tanner does a nice job of putting together a lot of nonsense into a piece that seems to make sense. Had she given her subject more thought, however, she would have written a different article.

True, companies do have a need to keep their trade secrets confidential. However, the two major segments of the American economy are the retail and services sectors, and no company in either of these sectors can legitimately claim to have trade secrets. So if these companies are concerned about their employees' blogging, shouldn't someone ask, What are they trying to hide?

Manufacturing companies can have legitimate trade secrets, of course, but not all do, and most of the employees of these firms are not in positions in which trade secrets are revealed. So any fear these companies have is not increased by blogging. Employees revealed trade secrets long before the internet came into existence, and it makes no difference whether the revealing employee is a blogger or not. A more genuine fear falls to companies that have offshored their manufacturing. Foreigners are far more likely to reveal those secrets than domestic employees are.

And there's a danger in restricting the free speech rights of employees. Any astute, prospective client can rightly wonder why such policies exist, what the companies are trying to hide, and how what they are hiding could affect the prospective client should he decide to do business with them. Remember that given the epidemic of disclosures of not just unseemly but even fraudulent behavior within a good number of major companies

that had to then impeccable reputations, judicious suspicion would seem to be in order. After all, the companies that did business with Enron and MCI did not escape scott free.

The statement made by W. Stephen Cockerham is revealing, however: "Companies are concerned about the disclosure of . . . things that might prove embarrassing to executives, customer (sic) or workers." This is a strange sentence. It doesnt say that companies are concerned with things that would prove embarrassing, it says that they are concerned with things that even might be embarrassing. Now that covers a lot of stuff. What possible justification could anyone have for wanting to restrict employee behavior to that extent?

I suggest that if companies want to protect their reputations, the only fail-safe way of doing so is to deal with people--employees, clients, and vendors--honestly and fairly, and such behavior would never require one to place restrictions on the activities of employees, be they bloggers or not.

But this tendency to restriction has a more important and profound consequence, and the tendency is growing.

The Constitution prohibits the Congress from passing any law that restricts the rights of religion, speech, the press, and of assembly. But what good does it do to have such restrictions written into the Constitution if the nation's companies can restrict these rights? The protected right is lost regardless of the Constitution's guarantees. Does that make any sense?

Americans like to call this nation the land of the free, but over the last several decades, more and more activities have been

repressed, and each such act of repression eliminates a freedom previously possessed. If our employers can keep us from speaking freely, what else can they forbid us from doing? You have probably heard of the company in Ohio, I think, that required its employees to stop smoking even when not on the job. Some have defended this company. But if what this company is doing is okay, why can't K-Mart prohibit its employees from shopping at Wal-Mart? Why can't an employer prohibit its employees from attending a certain church, from associating with certain groups of people, or even from reading a certain newspaper? How would the publishers of the DBJ react to a company's forbidding its employees from reading it?

Oh, you say these things wont happen. Wanna bet?

These subtle repressions are subverting the Constitution, for it really doesn't matter where the repression originates. If a Constitutional right is suppressed, not by a Congressional act, but by some other societal entity, it is nevertheless suppressed. The freedom is gone. The Constitutional guarantee alone cannot protect it. The allowance of such activities renders the Constitution meaningless, and America becomes not the land of the free but the realm of the repressed. Wouldn't it be better for businesses to be embarrassed?

Americans need to open their eyes and ears, and a good journalist can help us do that. But that kind of journalism requires more than mere reporting; a bit of thought is also needed.

## EXACTLY WHAT DOES DEFENDING OUR FREEDOMS MEAN?

The American political right exploits the word freedom by using it as if its meaning were univocal and unambiguous. We hear and see sentences like, We have a right to defend our freedoms. We must preserve our freedoms, etc. However, the word, freedom has not only meant different things in different historical periods, it means different things to people today whose political circumstances resemble circumstances in earlier times and places. For instance, to the slave who seeks his freedom, freedom means not being owned as property by someone else. To a nation seeking its freedom from the domination of another nation, freedom means something else again, even if none of the residents of the subjugated nation are slaves. Likewise, since the Glorious Revolution in England (1688), which culminated in imposing a Bill of Rights on the King, the word freedom has taken on still another meaning—the freedoms granted in Bills of Rights. For instance, the American Bill of Rights grants Americans the freedom to exercise one's religion and protects a person's freedom of speech. In this sense, the freedom and rights are related terms.

American politicians, from the right and left, love ambiguity; it relieves them of responsibility for their failures. Thus, in America, politicians talk about civil rights and human rights without defining either. Even worse, America criticizes other nations for their poor human rights records; yet it appears that what that criticism amounts to is merely the prohibition of a political opposition. It certainly doesn't mean things like equality under the law, the lack of discrimination, and the free and fair exercise of suffrage; otherwise our list makers would have to include the United States of America on its own lists of human rights abusers.

Americans politicians also like to convey the impression that only Americans are blessed with a Bill of Rights. But parts of the American Bill of Rights were plagiarized from the English Bill of Rights imposed on the King by the Glorious Revolution. The French Revolution resulted in a Bill of Rights as did the Russian Revolution. And even the United Nations has produced a Universal Declaration of Rights to which the United States is a signatory but consistently violates many provisions of.

The United States does not have a clean record on rights and the granting of freedoms. Compare the American Bill of Rights to the Universal Declaration of Rights and notice how many of the latter are missing from the former. As far as developed nations go, the United States is a slacker when it comes to rights and freedom. Americans are by no means the freest people in the world. In fact, while freedom has been advanced in many nations, the United States has hardly advanced any since 1789. Americans in the 21st Century are living in an 18th Century political climate.

So we truly need to ask our political leaders to specifically define their terms. I suspect that if they ever do, they will all be voted out of office.

## FORKED TONGUES AND OTHER AMERICAN CHARACTERISTICS

Our Constitution contains the following well known preamble which expresses the hopes and dreams of the people who drafted the Constitution.

"We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the Blessings of Liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America."

Injustice, unfairness of laws and in trade, was of great concern to the people of 1787. People looked forward to a nation with a level playing field, where courts were established with uniformity and where trade inside and outside the borders of the country would be fair and unmolested. The hope and dream of justice has, of course, never been fulfilled. The American legal system is a sport played by lawyers. The prosecutor wins the game by getting a conviction, and the defense attorney wins by getting his client off or a sentence too light to be commensurate with the crime. Although there are rules, these rules are regularly violated by both sides. The prosecution routinely tries to hide exculpatory evidence, and the defense tries to hide or exclude culpatory evidence. The innocent are routinely convicted and the guilty are routinely absolved. Since law is practiced by private individuals whose income depends upon their success and whose success enhances their incomes, the system has given rise to the phrase, "celebrity justice," meaning that those who can afford the best attorneys can expect the best results regardless of what the facts really are. In short, the Union has failed miserably in relation to

the goal of establishing justice because the truth has never been the system's object.

And who would even dare to claim that we live in a domestically tranquil nation. Crime is at epidemic proportions. In 2003, the Bureau of Justice Statistics reported that there were two million people in the nations prisons and jails, a record high. The figures take on an even greater significance when compared to the rates of imprisonment in other nations. The U.S. rate of incarceration of 702 inmates per 100,000 makes the United States the world leader in criminality. This number not only makes a mockery of the phrase, domestic tranquility, it indicates that Americans are a repressed people, since high rates of incarceration are a clear sign that freedom is restricted.

It has been claimed that the whole point of having tranquility, justice, and defense was to promote the general welfare to allow every citizen to benefit from what the government could provide. But who would deny that the special interests that corrupt legislators benefit far more than ordinary citizens?

And finally, do Americans enjoy the blessings of liberty? Well, not to any great extent, as yesterday's decision of the Supreme Court concerning eminent domain amply demonstrates. Americans have now lost their castles. A home is merely another thing that government can confiscate for anything it considers to be a contribution to the general welfare.

But aside from this meager Preamble, the Constitution is entirely devoid of any lofty statement of ideals. It is merely a cold, objective enumeration of the mechanics of government. Yet Americans have always thought of this nation as a highly idealistic place that the world would do well to imitate. Where is this idealism to be found? Certainly not in the Constitution. In fact, it is not to be found in any legally binding document.



Of course, the Declaration of Independence is often cited as a statement of our ideals: "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness --That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed. . . ." Unfortunately, these ideals were never written into the Constitution and have rarely been recognized in any tangible way by our legislators or Supreme Court judges, because these ideals have no standing as law.

Another document that enshrines ideals that Americans often profess to hold is the Gettysburg Address: "Fourscore and seven years ago our fathers brought forth on this continent a new nation, conceived in liberty and dedicated to the proposition that all men are created equal. . . . that from these honored dead we take increased devotion to that cause for which they here gave the last full measure of devotion--that we here highly resolve that these dead shall not have died in vain, that this nation shall have a new birth of freedom, and that government of the people, by the people, for the people shall not perish from the earth."

Unfortunately these ideals also have no legal standing, and it is doubtful that this nation ever had a government of the people, by the people, and for the people. Our nation has had a government, just like those of other nations, that has enshrined the same kind of greed, injustice, corruption, and incivility that we often accuse other governments of. And one can only wonder how this nation's legislatures or courts would have acted if all these ideals had been given legal standing? Certainly the Supreme Court would never have issued the Dred Scott decision. Racial and ethnic discrimination would have long ago been ameliorated. The

wealthy would not have had greater access to justice than the ordinary person.

So just as Chief Red Cloud often said, we speak not only to the world but to ourselves with a forked tongue, and we have earned the world's distrust.

The world wonders how we can have the audacity to criticize others for their poor records on civil rights when we have a history of legally sanctioned discrimination and inequality that continues to this day. The world wonders how we can have the audacity to tell other nations not to interfere in the affairs of their neighbors when we have and continue to interfere into the affairs of other nations? The world wonders how we can have the audacity to tell other nations to control their borders to prevent the infiltration of enemies of the United States from entering nations that we seek to control while, as the government of Syria rightly pointed out yesterday, we cannot control our own borders.

Yes, this nation is distrusted and disliked, and in our sanctimonious self-righteousness we wonder why. Well, the reason is that we Americans have not yet learned the merits of conforming to what we preach and of preaching the truth. And we are and shall continue to bear the consequences of that failure.

## GOVERNMENTS EXIST TO FURTHER THE INTERESTS OF "FAVORED GROUPS"

*"We the People" are Never the Favored Group*

*"Liquidate labor, liquidate stocks, liquidate the farmer, liquidate real estate. It will purge the rottenness out of the system.*

*– Herbert Hoover's treasury secretary Andrew Mellon*

Governments have never existed to solve problems domestic or international. Governments and their institutions exist merely to further and secure the interests of favored groups, but We the People are never the favored group.

Paul Krugman recently wrote that

the fact is that the Fed, like the European Central Bank, like the U.S. Congress, like the government of Germany, has decided that avoiding economic disaster is somebody else's responsibility.

None of this should be happening. As in 1931, Western nations have the resources they need to avoid catastrophe, and indeed to restore prosperity – and we have the added advantage of knowing much more than our great-grandparents did about how depressions happen and how to end them. But knowledge and resources do no good if those who possess them refuse to use them.

And that's what seems to be happening. The fundamentals of the world economy aren't, in themselves, all that scary; it's the almost universal abdication of responsibility that fills me, and many other economists, with a growing sense of dread.

Krugman and most other Americans are fond of blaming social problems on the personal failings of individuals rather than on the systemic failings of institutions. It is people borrowing more than they can afford rather than banks lending too loosely or consumers saving too little rather than businesses paying too little to enable consumers to save that causes all of the problems. But borrowing and lending and saving and income are not independent variables. People are persons with personal failures but banks are institutions with systemic failures, and the systemic failures can entice people to engage in activities that may look like personal failures but are not. Krugman and many others assume that governments and their institutions exist to solve the problems peoples face. When the problems persist, these people again assume that it is because those in government just aren't doing their jobs. But there is very little historical evidence to support this view.

The government of Louis XVI made scanty attempts to solve the problems of the French people which ultimately led to the French Revolution. The various governments in the United States in the early 1800 made few attempts to resolve the problems raised by slavery in American society and the Supreme Court made any resolution of them impossible which led to the Civil War. Emperor Franz Joseph of Austro-Hungary made no effort to resolve the ethnic problems his empire faced in the Balkans which ultimately led to the First World War. Great Britain and France made no attempts to ameliorate the problems Germany faced as a result of the conditions imposed on it by the Treaty of Versailles which then resulted in the Second World War. No government has made much of an attempt to resolve the problems created in the Levant by the creation of Israel, and instability, slaughter, and

war have prevailed ever since. Now a third world war, an atomic conflagration, may be in the offing.

Domestic and international conflicts are being exacerbated worldwide by similar failures at problem resolution. The Western nations and Israel are not making any serious attempts to resolve their problems with Iran. The only possibility of resolving the problems in Western minds is for Iran to merely conform to what the Western world wants. Western European nations are treating the debt crisis similarly. There is only one resolution: the Southern European states must merely do what the Northern ones say regardless of how it affects the peoples of Southern Europe. And the American Congress is paralyzed by each party's insistence that its way is the only way.

So what is really going on? What are Krugman and others missing? The answer is as plain as sunlight on a cloudless day.

Governments have never existed to solve problems domestic or international. Governments and their institutions exist merely to further and secure the interests of favored groups. For instance, each nation's foreign policy always consists of "protecting our interests" somewhere or other. Whose interests are "our interests"? Why the favored group's, of course. And who are the favored groups? Well, it all depends.

The favored group of European governments is international investors, not the common people of a single European nation. The Greeks can be damned so long as the investors get repaid even though the common people of Greece did not borrow one euro from international investors, the Greek government, which has no income it doesn't take from ordinary Greeks, did, and the

investors were not only willing but anxious to lend. The favored group of the Mubarak government in Egypt was the Egyptian military that even after the overthrow of Mubarak is still trying to secure its interests. The favored group in Jordan, Saudi Arabia, Bahrain, Syria, and Yemen is a royal family. In Iraq and Iran, a religious sect is favored. Every one of these governments except, perhaps, Iceland has shown a willingness to kill those common people who are never the favored group.

The United States of America is an extreme case. The Democrats in Congress have their favored groups; so do the Republicans. But the common people is not the favored group of either party, although the politicians pay homage to it. America is comprised of a mass of groups, some favored, some not. Even though the nation's founders warned the Colonists about the danger of factions, every issue in America attracts a faction, and sometime or other, government favors one or more of them. Americans have pro and an anti-immigration factions. Within these, there are pro and anti-Asian factions, pro and anti-Latino factions and within these, Central and South American and Cuban factions. There are pro and anti-gun control factions, abortion factions, contraception factions, labor factions, business factions, healthcare factions, free and regulated market factions, free trade and protectionist factions, global warming and anti-global warming factions, more and less taxation factions, big and small government factions, federal and states' rights factions, imperialist and anti-imperialist factions, religious and anti-religious factions. Factions here; factions there; disagreement everywhere! Where Americans once believed united we stand, divided we fall, today they believe division secures our group's special interests. And the moneyed groups have made this work by using raw power and bribery.

But the nation? Oh, well, its seams are all coming apart. The nation doesn't matter to factions; only the interests of the favored group does. And that is why American society does not work. It is a nation whose people do not live together; they merely live side by side, where neighbors who have lived side by side for years break into violent conflict over the most trivial of things: a barking dog, a crowing rooster, a loud party, a minor inconvenience as, for instance, a parked car, children playing in someone's yard, a tree-limb extending over a property line, a sign or even an American flag on a pole, the color of a house, the height of a lawn and the kind of plants in it—just some of the recent neighborly conflicts I have observed.

America is a nation comprised of people who revel in conflict. Even the legal system is adversarial. Our cities, or at least parts of them, are war zones. More people are killed daily in America than in Afghanistan. Since Americans can't get along with each other why would anyone expect them to get along with the rest of the world? What makes anyone believe Americans care if Sunni and Shi'as get along?

The human condition will never improve until governments everywhere begin governing for the people, all the people, and none but all the people. So long as governments govern for the benefit of special groups, antagonisms, dislikes, and hatred will prevail; the Earth will seethe with conflict.

Some will say it's just human nature, that human beings have a dark side rooted in greed that cannot be extirpated. If so, we are just like ants where workers and soldiers live merely to provide for queens and their entourages of drones who exist merely to produce more ants, where common people are but beasts of

burden that exist for the sake of the greedy. Perhaps this view is accurate, but the best of humanity has never thought so. Only Machiavelli's *The Prince* among thousands of works is renowned for this view (although Ayn Rand may be catching up). Religious and humanitarian works that contest it abound.

The trouble is we have too many people like Paul Krugman. Generally his heart seems to be in the right place; he seems to genuinely care about what happens to people, but he never goes far enough. He and those like him seem never to be able to mine an argument deep enough to find the source of its lode. They stop digging when they get to something that fits their preconceptions, as, for instance, personal human failures.

During an interview on Internet radio, I was once asked, being a veteran, why soldiers fight. The host, I am certain, expected some profound response such as for God and country, for human dignity, for the rights and freedoms our people enjoy. But I merely answered, because they're there!

When we take perfectly normal young Americans off the street and send them into battle, we do not presume that they are inherently killers. After all, killers are bad people. Yet we send these good young men and women off to kill and they do. When they return, we again do not assume they are killers. We expect them to return to being perfectly normal young men and women. So do bankers do what they do because they're bad people or because they're bankers and banking requires it? Are politicians corrupt because they are bad people or are they corrupt because politics requires it?



People, ask yourselves this question. Do our institutions make us what we are? If our institutions promote greed, will we be greedy, if our institutions promote killing will we be killers, if our institutions promote bribery, will we be bribed, if our institutions promote corruption, will we be corrupt? What will we be when our institutions promote goodness and how can we build such institutions?

The Romans had an expression – *cui prodest?* – meaning “who stands to gain?” Who advocates a specific view isn’t important; what is important is who stands to gain from it. Only then can who the view favors be known. But in today’s world, *cui prodest?* is too general a question. It is too easy to conjure up arguments that purport to show that many or even all gain. That everyone gains from tax cuts for the rich can be argued *ad infinitum*.

But who stands to gain the most financially can’t. It always has a specific answer, and if you want to know who the government’s favored group is at any time, that is the question that must be answered. When the answer is some group other than the common people, the view must be rejected; otherwise, the human condition is mired in the mud of hate and will never improve, conflict will persist, and the human race will very likely exterminate itself and perhaps life itself.

Jefferson knew that merchants had no country. And that the business of America is business has often been voiced by the established elite and endorsed by the Republican party. The Congress is in gridlock because the Republicans do not care what happens to America or the American people, just so long as their favored constituents’ interests are preserved. That is what Paul Krugman and others like him fail to understand. That is why the

models of economists, even if any turn out to work, are of no consequence. The only models that matter are those that advance and secure the interests of the favored group. Can the problem of unemployment be solved? Nobody in power really cares! Can the problem of world-wide poverty be solved? Nobody in power really cares! Can peace ever prevail between human beings? Nobody in power really cares! The dead require no benefits, and a very small government will suffice.

Postscript.

Since drafting this piece, I have discovered that three political scientists, Nolan McCarty, Keith Poole, and Howard Rosenthal, have provided empirical evidence for my thesis in *Polarized America: The Dance of Ideology and Unequal Riches*. Their views are summarized in a piece by Daniel Little:

“What is really interesting about this analysis is that it implies that the sizzling rhetoric coming from the right – personal attacks on the President, anti-gay rants, renewed heat around abortion and contraception – is just window dressing. By the evidence of voting records, what the right really cares about is economic issues favoring the affluent – tax cuts, reduced social spending, reduced regulation of business activity, and estate taxes. This isn’t to say that the enraged cultural commentators aren’t sincere about their personal belief – who knows? But the policies of their party are very consistent, in the analysis offered here. Maybe the best way of understanding the extremist pundits is as a class of well-paid entertainers, riffing on themes of hatred and cultural fundamentalism that have nothing to do with the real goals of their party.”

There you have it. The people are viewed by the establishment as chickens to be broiled for lunch.

## HAVE YOU EVER WONDERED WHY PEOPLE RUN FOR CONGRESS?

News Release: "According to an April 10-13, 2006, Gallup Poll, 23% of Americans approve of the job Congress is doing, while 70% disapprove. The current approval score is slightly below the 25%-27% range seen since January. The current 23% approval rating for Congress is a near-record low for the institution. Gallup's trend for this question, which started in 1974, shows lower approval scores on only three other occasions: October 1994 (21%), March 1992 (18%), and June 1979 (19%)."

News Release: "Americans do not see one party as more corrupt than the other. An overwhelming majority of respondents - 73 percent - agreed with the statement that 'politicians of both parties in Washington today are corrupt.'"

I can't speak for others, but if I were a member of Congress and saw these polls, I would be too ashamed to show my face in public. Yet our Congressmen seem to have no shame at all. How come? Doesn't it make you wonder why they run for office? If they claim that they want to serve their country, they are obviously failing. The country doesn't need Congressmen who are failures at their jobs.

It appears to me that there are only two possible answers to the question. Either they know that they are such incompetent idiots that they could not hold down any real jobs, not even one requiring mere manual labor, or else they are in Congress to line their own pockets, fully knowing that they do not have to be concerned with being ousted from office, because they have fudged the electoral system to make that almost impossible. And even if by some unlikely chance one is defeated, he knows he will be replaced by someone else just like him, because only corrupt incompetents run for Congressional seats.

## HURRICANE DAMAGE, SHODDY WORK, AND THE LEVEES OF NEW ORLEANS

While reading the newspaper one day last week, I came across a story claiming that a major reason for the failure of the levees in New Orleans was shoddy work and skimping by the contractors who built them. My initial reaction was, "well, what did anyone expect?" After all, isn't that the American way?

Here in Texas it is common to see repairs being done on highways that were recently built. Often, within the first year after being opened for use, parts of highways have to be closed for major repair. But the contractors who built these highways are never tasked with repairing them at their own expense. Shoddy work has become the American standard, and it generates no penalties.

All of this reminds me of an incident that happened a decade or so ago when a major hurricane blew through Miami, doing considerable damage. From the inspections that took place in the aftermath, it was discovered that the builders of many of the very expensive homes which were destroyed had allowed such shoddy work that roofing nails never made it into the rafters. It doesn't take much wind to blow off a roof that has not been nailed down.

I had a friend living in Miami at the time, and in a conversation about this kind of damage, I said, "That's the price we pay for having destroyed the craft unions."

Americans have bought into the notion that unions are bad for the economy. They base this notion on the perception that unions raise wages and therefore raise prices. This is a fallacy, of course, since production costs often play no role whatsoever in pricing decisions. The pricing maxim has always been charge whatever

the market will bear. So keeping costs low doesn't mean that prices will be low; it may merely mean that profits are high.

Unions, especially the craft unions, did far more than seek higher wages for their members. These unions also upheld standards. Before being admitted into such unions, workers had to apprentice, they had to learn their trades. By destroying those craft unions, we have lost all control over standards. Today, a person who has never built anything in his life can buy a pickup truck, a box full of tools, and go into business as a carpenter.

We often believe that inspections can be used to maintain standards, but that is foolhardy. For even if an inspector were at every job site during every working hour, he could not observe everything, and, of course, putting inspectors at every construction site is impossible to begin with.

So what did destroying the craft unions accomplish. There is no proof that it ever lowered the price of a single product. It created a wide open opportunity for fraud, and it eviscerated the working standards of craftsmen. Now isn't this something we all should be proud of?

Could a reintroduction of craft unions reverse this result? Well, perhaps, but not easily, for just as it is very easy to dumb down a people, it is very difficult to smarten them up, so too, tearing down standards is easy while building them up is not. And now that shoddy work has become the American way, it would take a massive effort to change the way things are.

The lesson to be learned from this is simple. Sometime the effects of bad decisions and policies can never be reversed, so we need to think more carefully about the decisions we make and the policies we put into practice, since these decisions and policies may very well be our undoing.

I don't see anybody engaged in such thought today. I shudder to see what tomorrow will be like.

## HUTCHINSON'S WORRY IS LOSING CONGRESS

The Dallas Morning News the other day reported that Senator Kay Bailey Hutchison (R TX) is concerned that the Republicans will lose control of Congress next week. Her concern is proof-positive of how indecent apparently decent people can be.

Senator Hutchinson has an honorable reputation among Texans. I'm fairly certain that she is considered by herself and many others as good, decent, honorable, fair, and honest. I'm also fairly certain that she is considered by herself and many others as having the best interests of the country and her constituents at heart. Yet her concern for the Republican control of Congress belies all of these.

The Republicans are not in danger of losing control of the Congress because they are Republicans, but because of their lies, especially those of the President and Vice President, the corruption, especially of those Congressmen affiliated with Mr. Abramoff, because of their cover-ups of that and other corruption, and because of their having sold their votes to special interests for financial and other perks, especially campaign contributions.

Yet no prominent Republican, certainly not Senator Hutchinson, publicly abhors the lying, not even those who promote Christian values, no prominent Republican, certainly not Senator Hutchinson, abhors the corruption or else Republicans would be doing something about it, and, needless to say, no Republican, certainly not Senator Hutchinson, abhors the selling of their votes to special interests, especially since she continues to accept campaign contributions even though she already possesses a campaign chest 150 times bigger than that of her opponent. That, in itself, indicates that just like her corrupt Republican colleagues, greed motivates her actions.

If Senator Hutchinson, and anyone else in the Republican party, were really a decent person and had the interests of the nation and its people at heart, she would be concerned about the immorality, dishonesty, and greed of her partisan colleagues and not about losing control of the Congress, because the Congress cannot be fixed until its members are reformed. People motivated by remunerative concerns can never be expected to serve the nation's interests or have the interests of its people at heart, because greed is a private vice, one of the Seven Deadly Sins, not a public virtue.

The decent people in this county have a dim view of Congress. The fact that Congressmen themselves don't share that view clearly marks them as indecent people, regardless of how they think of themselves. Senator Hutchinson is, like all those like her in the Congress, merely a fraud, and the people and the press need to start treating her and those like her as what they really are. A spade is a spade, and it needs to be called one.



## LIBERTY'S EASY SLIDE INTO TYRANNY

*The best-laid schemes o' mice an' men  
Gang aft agley,  
An' lea'e us nought but grief an' pain,  
For promis'd joy!*

– *Robert Burns, 1785*

No matter how hard we try, no one can control the future, and we cannot assume the future will be like the present.

Woodrow Wilson signed the law that established the Federal Reserve. He later rightly lamented having done so. He writes, “I am a most unhappy man. I have unwittingly ruined my country. A great industrial nation is controlled by its system of credit. Our system of credit is concentrated. The growth of the nation, therefore, and all our activities are in the hands of a few men. We have come to be one of the worst ruled, one of the most completely controlled and dominated Governments in the civilized world no longer a Government by free opinion, no longer a Government by conviction and the vote of the majority, but a Government by the opinion and duress of a small group of dominant men.” Oh, how right he is, and oh, the mischief the FED has wrought! But establishing the FED must have seemed right to Wilson when he signed the law.

Harry Truman had similar qualms about the CIA.

[I]t has become necessary to take another look at the purpose and operations of our Central Intelligence Agency. . . .

assuming the President himself possesses a knowledge of our history, a sensitive understanding of our institutions, and an insight into the needs and aspirations of the people, he needs . . . the most accurate and up-to-the-minute information on what is going on everywhere in the world, and particularly of the trends and developments in all the danger spots. . . .

every President has available to him all the information gathered by the many intelligence agencies already in existence. . . .

But their collective information reached the President all too frequently in conflicting conclusions. At times, the intelligence reports tended to be slanted to conform to established positions of a given department. . . .

Therefore, I decided to set up a special organization charged with the collection of all intelligence reports from every available source, and to have those reports reach me as President without department “treatment” or interpretations.

I wanted and needed the information in its “natural raw” state and in as comprehensive a volume as it was practical. . . . But the most important thing about this move was to guard against the chance of intelligence being used to influence or to lead the President into unwise decisions –and I thought it was necessary that the President do his own thinking and evaluating. . . .

For some time I have been disturbed by the way CIA has been diverted from its original assignment. It has become an operational and at times a policy-making arm of the Government. This has led to trouble and may have compounded our difficulties in several explosive areas.

I never had any thought that when I set up the CIA that it would be injected into peacetime cloak and dagger operations. Some of the complications and embarrassment I think we have experienced are in part attributable to the fact that this quiet intelligence arm of the President has been so removed from its intended role that it is being interpreted as a symbol of sinister and mysterious foreign intrigue. . . .

I, therefore, would like to see the CIA be restored to its original assignment . . . and that its operational duties be terminated. . . .

We have grown up as a nation, respected for our free institutions and for our ability to maintain a free and open society. There is something about the way the CIA has been functioning that is casting a shadow over our historic position and I feel that we need to correct it.

Of course, nobody paid any attention. And oh, the mischief the CIA has wrought!

The problem is that what seems like a good idea to someone with pristine motives turns into something horrid when placed in the hands of someone else. Those pristine motives Gang aft agley." So it is with what has come to be known as executive privilege.

Executive privilege is the claim made by members of the executive branch that they can refuse to comply with certain subpoenas and other requests from the legislature and courts, but executive privilege is not mentioned in the Constitution. Some claim the privilege is a form of the common-law principle of deliberative process privilege whose roots are often traced to English Crown Privilege. Viewed that way, it is clearly a

monarchical attribute that is distinctly antidemocratic. But the Supreme Court has validated it.

In *US v. Nixon*, Chief Justice Burger writes: “Whatever the nature of the privilege of confidentiality of Presidential communications in the exercise of Art. II powers, the privilege can be said to [emphasis mine] derive from the supremacy of each branch within its own assigned area of constitutional duties. Certain powers and privileges flow from the nature of enumerated powers; the protection of the confidentiality of Presidential communications has similar constitutional underpinnings.” No one, it seems, noticed that “can be said to” is not synonymous with “is.”

Chief Justice Burger further writes,

“In *United States v. Reynolds* . . . the Court said:

It may be possible to satisfy the court, from all the circumstances of the case, that there is a reasonable danger that compulsion of the evidence will expose military matters which, in the interest of national security, should not be divulged. When this is the case, the occasion for the privilege is appropriate, and the court should not jeopardize the security which the privilege is meant to protect by insisting upon an examination of the evidence, even by the judge alone, in chambers.”

Mr. Burger seems not to have noticed that he gave the executive branch the combination to the safe in this passage. From this point on, all the executive branch has to do to sustain a claim of executive privilege is to say that complying with the subpoena or request would entail a reasonable danger that military matters

would be exposed or the nation's security would be impaired. These claims have now become standard practice.

Until the end of World War II, assertions of executive privilege were rare. In 1796, George Washington refused to comply with a request from the House of Representatives for documents related to the negotiation of the Jay Treaty. The Senate alone plays a role in the ratification of treaties, Washington reasoned, and therefore the House had no legitimate claim to the material. So Washington provided the documents to the Senate but not the House.

Thomas Jefferson asserted the privilege in the trial of Aaron Burr for treason. The Court denied it and he complied with the Court's order.

But from 1947-49, several major security cases arose. A series of investigations followed, ending with the Hiss-Chambers case of 1948. At that point, the Truman Administration issued a sweeping secrecy order blocking congressional efforts from FBI and other executive data on security problems. Security files were moved to the White House and administration officials were banned from testifying before Congress on security issues.

During the Army-McCarthy hearings in 1954, Eisenhower used executive privilege to forbid the "provision of any data about internal conversations, meetings, or written communication among staffers, with no exception to topics or people." Department of Defense employees were also instructed not to testify on any such conversations or produce any such documents. The reasoning behind the order was that there was a need for "candid" exchanges among executive employees in giving "advice" to one another. Eisenhower made the claim 44

times between 1955 and 1960. The Supreme Court has validated such claims saying there is a “valid need for protection of communications between high Government officials and those who advise and assist them in the performance of their manifold duties” and that “[h]uman experience teaches that those who expect public dissemination of their remarks may well temper candor with a concern for appearances and for their own interests to the detriment of the decisionmaking process.”

In 1998, President Bill Clinton became the first President since Nixon to assert executive privilege and lose when a Federal judge ruled that Clinton aides could be called to testify in the Lewinsky scandal.

The George W. Bush administration invoked executive privilege on numerous occasions. So has the Obama administration. Executive privilege has now become a tool for not only protecting military secrets and other secrets the revelation of which would endanger the nation’s security, but a way of covering up executive branch wrongdoing.

Nixon tried to use executive privilege in an unsuccessful attempt to cover up his administration’s complicity in the Watergate break in. Clinton attempted to use executive privilege to cover up his relationship with Monica Lewinsky. George W. Bush asserted executive privilege to deny disclosure of details about the scandal involving the FBI’s misuse of organized-crime informants and Justice Department deliberations about President Bill Clinton’s fundraising tactics, none of which had anything to do with national security or military secrets. And now it is reported that the Justice Department has in the last few months gotten protective orders from two federal judges keeping details of some

software technology out of court because the details if revealed would threaten national security. But others involved in the case say that what the government is trying to avoid is public embarrassment over evidence that the software's designer bamboozled federal officials.

Huge conspiracies aren't what destroys people's freedom, they are too easy to undo. The accumulation of errors, failed policies, and little and big unfairnesses destroy it. It happens because The best-laid schemes o' mice an' men/ Gang aft agley,/ An' lea'e us nought but grief an' pain.

The FED, CIA, Executive Privilege, The Patriot Act, Homeland Security, and more, by themselves, are bad but not disastrous. Together, however, they are the tools of tyranny that are tyrannizing America, because they provide people who are not answerable to the people with powers that can be and often are abused. It happens because those who implement ideas that seem sound never ask what happens when the powers these ideas entail fall into the hands of the unscrupulous.

The insidiousness of these tyrannical tools is that they can exist amid the trappings of democracy, along with political parties and regular elections. The result is a tyrannical nation masquerading as a democracy.

All of these agencies as part of the executive branch act secretly. And we have forgotten that, "Secrecy, being an instrument of conspiracy, ought never to be the system of a regular government." –Jeremy Bentham

## MICHAEL JACKSON MEMORIAL DAY

The almost incessant media coverage of Michael Jackson's tragic and untimely death appears to be coming to a close. Honor and disrepute, rumor and insinuation, praise and blame, speculation and theorization but little new information have filled our ears and eyes.

Michael had unique and exceptional talents. He certainly deserves to be honored. But he also lived a life made tragic by the very people who are now wallowing in this orgy. The paparazzi are, after all, merely the media's hired guns. They turned Michael's life, from youth till death, into days of torment. If the media hadn't bought their smut, Michael's life may have been far more congenial and his untimely death may have been avoided. But the media accepts no blame.

Those in the media who once reviled this poor man and who are now genuflecting in his honor are the most despicable human beings in America. Their desire for ratings driven by scandal has long superceded any desire to report anything truthfully. They have uncritically reported the government's prevaricating justifications for this nation's involvement in unjust wars that have resulted in the deaths of millions of perfectly innocent people, they parrot the establishment's claims made to justify preposterous and unworkable programs, they neglect entirely to report the attempts by others to reveal the truth, and they played a large role in destroying the life of Michael Jackson. This is America's free press. This freedom it enjoys is paid for with the lives of others.

Michael is gone. He had no peace in life, and it is unlikely that the media will allow him to rest in peace in death. Hell hath no pain greater than that which can be inflicted by media moguls whose only goal is to turn tragedy into orgies of entertainment. This



media now feigns honor, but the authentic honor comes only from his fans who displayed true civility and profound humanity during his memorial service, proving once again that true virtue lies only within the hearts of common people.

## MYTHICAL TEXAS HEROISM- AT THE FOUNDING AND TODAY

Texas, in distinction from other states, has its own pantheon of heroes because it was, for a moment in time, an independent nation. This mythical history is taught to all students in the public schools, and the figures who inhabit the pantheon are idealized. Scrubbed of their mythical honor, they present a picture of the unscrupulous, however.

In 1821, Moses Austin obtained from Mexico a colonization grant which contains the following two articles:

"ART. 1. The government of the Mexican nation will protect the liberty, property and civil rights, of all foreigners, who profess the Roman Catholic apostolic religion, the established religion of the empire.

ART. 30. After the publication of this law, there can be no sale or purchase of slaves which may be introduced into the empire. The children of slaves born in the empire, shall be free at fourteen years of age."

Stephen F. Austin, Moses son, established the first American settlement, and settlers from the United States began arriving in large numbers. Whether they were aware of the conditions of the two articles cited above is doubtful, but if they were, they were disingenuous.

By 1835, these American transplanted Mexicans were fomenting revolution, and by 1836, they had declared a War of Independence and Sam Houston proclaimed the area to be The Independent Republic of Texas. These Texans then applied for admission to the United States and Texas become a state in 1845.

Pressure to call a convention to consider secession began in October 1860, and in 1861 Texas seceded.

All this in a mere 40 years!

It is apparent that these Texans did not join the Union because of any devotion to the principles expressed in the Declaration of Independence, nor can they be said to be men whose word was their bond. They had the ability to shift their allegiance in any moments whim Mexican today, Texan tomorrow; Texan today, American tomorrow; American today, Confederate tomorrow. And this is a state that is said to extol patriotism. Hogwash!

Even the manner in which these Texans convened a convention for secession was dishonorable:

The election of delegates needed all the legitimacy the Texas legislature could give it, because what evidence still exists indicates that the election procedures did not even meet the minimal standards of the day. Delegates were often elected by voice votes at public meetings. Unionists were discouraged from attending such meetings or chose to ignore the process because they considered it illegal. As a result the delegates overwhelmingly favored secession. Delegates to the convention were in some ways a typical cross section of the free male population of the state. Their average age was about forty, and almost all had been born in slaveholding states. Though they were slightly wealthier than the average Texan, the great planters and merchants of the state did not dominate the convention. In two significant ways, however, the convention differed from the population as a whole. Lawyers made up 40 percent of the membership and slaveowners about 70 percent, although most owned fewer than fifty slaves (from documents in the Texas State Archives). So in a mere 40 years, the commitment given to Mexico to abjure slavery seems also to have been abandoned, and it has been said that the Texan petition to join the Union was motivated by the desire to make Texas a slave state.

So much for the honor of the gods in the Texas pantheon.

The Texas educational system is not known for its production of educated students. Its graduates can rarely either speak or write standard English, and their ability to calculate is in doubt. The ranking of the Texas educational system is not something Texans can be proud of, and although Texans seem to have adopted the no child left behind slogan, it has and does consistently leave all children behind. But one thing Texans seem to learn well is the honorable characteristics of its mythical heroes.

The gallery in the state legislature is euphemistically referred to as the Owners Box because it frequently seats lobbyists, and one Texas legislators has recently been quoted as saying, "Can you imagine the kind of B.S. we'd be passing without them [lobbyists]?"

But nothing illustrates the current honor of Texas officialdom more than a story that appeared today in the Dallas Morning News. It exposes a Texas probate judge whose friends and partners benefit from lucrative work in his court. That politicians pass on such work to their friends and associates is, perhaps, not unusual. However, this judicial Texan honor seems to have reached the depths of depravity.

In 1997, an estate was filed for settlement in his court that was to set up an approximately a one million dollar inheritance for the deceased's nine year old daughter. That estate has not to this day been closed, and the judge's friends and partners who he assigned to the case have milked it for at least \$206,000 nearly a quarter of its value while the child, now 17, has received almost nothing.

So mythical Texas heroism is still the order of the day in Texas.

And if this little piece reminds you of the select group of Texans who have migrated to the nations capitol, you now know why prevarication and the violation of ethical rules are so prevalent among them. Those traits are what characterize honor in Texas.

## SO NOW IT'S THE NATIONAL ANTHEM

Americans of Latin American decent have now produced a version of the National Anthem with lyrics in Spanish, and the country is in an uproar. I'm somewhat baffled by this.

Last year, the Samoa News published the following release: PAGO PAGO, American Samoa (The Samoa News, Jan. 25) - The national anthem of the United States, "The Star-Spangled Banner" has been translated into the Samoan language and American Samoa Senator Fai'ivae A. Galea'i has called for its official adoption into the law. Not even a whisper was uttered in response by Americans of any political persuasion. But an anthem in Spanish? What an uproar! Is this racism? Well, of course not!

The devotion that Americans of some political persuasions have to the anthem is curious anyhow. I suspect that most don't know the words, especially beyond the first verse, and many can't sing it under any conditions. The vocal range required is too great. Then again, the music is not even original; it was stolen. (Hum! Perhaps that's the authentic American way to get things.) The original words and music, which can be found at, were written in 1776 for well-heeled London fun-lovers who founded the Anacreon Society which met once every two weeks to get drunk and sing songs. When it was decided that the group should have a signature tune, a member named John Smith whistled one up, entitled "To Anacreon in Heaven."

So the National Anthem we so honor is sung to a tune stolen from a bunch of drunken British. Just think, all those Conservative Americans who despise alcohol so much sing an old British drinking song as their National Anthem. Perhaps we should all shout, Prost!, after every rendering

To put an end to this nonsense, I propose that people in taverns and perhaps college fraternity houses sing the song in its original

version. I say to those who want a new national anthem, that that would be a sure way to get one.

## POLITICAL LINGUISTICS IN AMERICA

### *The American Kleptocratic "Necrocracy": A "Democracy" that Kills*

Languages are called living because they constantly change. There's no way to stop that, of course; people use languages as they will. Linguists often speak approvingly of the change, citing the richness it adds to language and inventiveness of the human mind, but the change also has unintended consequences that are often overlooked. The change, after all, is what makes works written in old and even middle English unintelligible to modern speakers of English.

Some attempts have been made to control linguistic change; they have not had much success. L'Académie française, for example, has continuously fought a losing battle against changes in French, and even the U.S. government's attempts to advocate Simplified English show few positive results. Yet attempts to control linguistic change arise because of an irrefutable fact, namely, that linguistic change often makes speech and writing ambiguous which obscures meaning and leads to muddled thinking.

Take the word 'democracy,' for instance. It has come to mean something like a government whose agents are 'elected by the people.' But that's a slippery definition. Democracy originally meant rule by the people, but the people do not rule in governments whose agents are merely elected.

If there are legal or financial restrictions on who can seek office, what is called democracy can be any one of a number of different kinds of government. If only clerics of a specific religious sect can

seek office, the government that results is really an ecclesiocracy. If only the affluent can seek office, it would be a plutocracy. If only geniuses are allowed to seek office, it would be a geniocracy, and there are numerous other types. Merely calling a nation democratic is so ambiguous it has no real meaning.

When President Wilson went before Congress on April 2, 1917, to seek a Declaration of War against Germany in order that the world “be made safe for democracy,” exactly what was he pleading for? Almost a dozen major and numerous minor wars since have apparently not made the world safe for anything, no less, democracy. The world is more dangerous for nations and their peoples than ever.

When US Secretary of State Hillary Clinton met with more than 20 Arab foreign ministers in Marrakesh, Morocco to promote democracy in the region, what exactly what was she promoting? After all, the Iranians hold regular elections.

When President Bush told a gathering of the Asian American Heritage month in Washington that “We’re working with India to promote democracy and the peace it yields throughout the continent, ” exactly what was he promoting, especially since Arundhati Roy, an Indian woman, writes in *Listening to Grasshoppers; Field Notes on Democracy*, that democracy has “metastasized into something dangerous.” She argues that democracy in India is not for, of and by the people but “designed to uphold the consensus of the elite for market growth,” which is, of course, exactly what American democracy has become.

P.R. Sarkar, the founder of Prout, the Progressive Utilization Theory, is cited as saying that democracy can never be successful



unless the majority of the population are moralists, that there needs to be a trend that supports humanistic values, and that capitalism breaks down whatever remains of those very values. "In its relentless quest for individual material acquisitions and selfish comfort it makes us all insensitive to the suffering of others and prone to divisive tendencies." Sarkar is right, of course. After all, even the Papacy has been corrupted at various times in history. Any system can be corrupted when it is controlled by the immoral.

Roy claims that this late phase of mature capitalism is headed for hell. But people living in capitalist economies have always lived in hell. Dante's *Inferno* has seven levels; today's capitalist democracies have many more, and only the level distinguishes one capitalist hell from others.

Roy approves of violence as a means of people's resistance to injustice. She claims that many of the poor are "crossing over... to another side; the side of armed struggle." Certainly that observation is true, but the crossover has not yet occurred within capitalist democracies, and the Western democratic attempt to "promote democracy" is merely an attempt to extend the boundaries of this hell to other regions. Yet, success may be illusory.

Victor Davis Hanson, a patrician, conservative, American historian, who writes on war but has never himself served, claims that "the usual checks on the tradition of Western warfare are magnified in our time." He argues that there are five traditional checks on it. One is the Western tendency to limit the ferocity of war through rules and regulations. Second, there is no monolithic West; the U.S. and its allies often can't agree. Third, it

is very easy to acquire and use weapons. Four, there are ever-present anti-war movements in the West, extending all the way back to Classical Greece, citing Euripides' *Trojan Women* and Aristophanes' *Lysistrata*, and fifth, it's not easy to convince someone who has the good life to fight against someone who doesn't.

Although all of these are true, Hanson, like many historians, fails to probe deeply by asking, Why? The why may lie in the increasing recognition of the insight President Eisenhower described when he said, "I hate war, as only a soldier who has lived it can, as one who has seen its brutality, its futility, its stupidity . . . every gun that is made, every warship launched, every rocket fired, signifies in the final sense a theft from those who hunger and are not fed, those who are cold and not clothed." That recognition may in the end be the ultimate check on the Western way of war, and patricians like Hanson are right to be concerned. The time that the poor are willing to fight to preserve the patrician lifestyles of the wealthy may come to an end as the perpetual war of Western nations against the rest of humanity is exposed by the stream of people in body bags returned to their homelands for burial.

The democracy being promoted and made safe is not the one of rule by the people. It is a kleptocratic necrocracy that kills so that it can scavenge the carcasses of the dead and dying so that America can continue to be the largest consumer of the world's resources. Such is the democracy that the youth of Western nations are being asked to fight and die for, and it is made possible by the ambiguity in the word democracy what has made the term meaningless.

Napoleon is cited as having said that religion is what keeps the poor from murdering the rich. As the poor grow more and more numerous, being stripped of their meager holdings by kleptocratic capitalist political economies whose greed knows no bounds, this may change, and Arundhati Roy may be right in believing that many of the poor will cross over to the side of armed struggle. If so, the Western patrician class has good reason to be concerned.

## PROPAGANDA AND THE POLITICAL RIGHT

The President is again mounting a campaign in defense of the war in Iraq by reiterating the discredited claims he has made in the past. In response, others are accusing him of being out of touch with reality. His repetition, they claim, only underscores how utterly removed from reality he is. But perhaps it is the critics who misread reality. Perhaps they fail to realize what is happening in this country.

From the days of its founding, America has had a strong anti-intellectual bent that stems from the fact that most early colonists were European exiles espousing one or another frowned upon religious sect. What characterized these people was their firm belief, made popular by the Protestant Reformation, that each person not only had the right but also the ability to interpret Scripture for himself. Neither education, training, nor scholarship was required. It is that climate of belief that has given rise to the abject nonsense that everyone has the right to his own opinion and that every issue has two sides.

Both of these claims, although widely accepted by Americans, are utter nonsense. Try telling your bank that its opinion is not one that you share when it sends you an overdraft notice. Try telling a physicist that you don't share his opinion that H<sub>2</sub>O is the chemical formula for water. Try telling a physician that you do not share his opinion when he tells you you have appendicitis. Where knowledge exists, opinions have no place.

It is the American tendency to hold these two principles that leads us into so much inconsequential debate. Because we believe that there are two sides to every issue and that each of us has the right to his own opinion, facts do not matter. There should be no debate over global warming. We should not be debating whether "intelligent design" is a scientific theory. Yet these debates go on

and will not be resolved, because the facts are not important. We are living in a kind of dark age in which, regardless of the facts, America is the center of the universe and it revolves around us.

This anti-intellectual bent of ours is a nonsense generating machine. The press has so-called pundits who write opinion columns. We have news forums, such as Meet the Press where know-nothings iterate biased opinions over and over again, so much so, that if you know who the pundits or guests are, you need not read the columns or watch the programs, because you already know exactly what these pundits and guests will write and say. Who doesn't know what position a Congressman will take on any issue once you know his party affiliation? Who doesn't know what George Will will write on any topic?

The President and his advisors know this reality about America very well. His critics do not. The President and his people know that most Americans have but a meager acquaintance with what is going on, not only in the world, but even in this country. The main source of news for most Americans is network television and talk radio. Americans not only don't read books, they hardly read newspapers.

So the President knows he can count on this ignorance, that he can reiterate the same old lies over and over again and nobody will ever notice, and that if he reiterates them often enough, people will even tend to believe them, regardless of the truth.

By promoting those Protestant beliefs, the right has promoted and preserved American anti-intellectualism, the result of which is a new Joseph Goebbels age of propaganda. We are assaulted by it from every angle. And since we lack a respect for fact and truth, there is no defense against this onslaught. Its refutation will come only with the failure of the policies enacted by the ignorant right. And they will fail, for there are not two sides to nature's coin.

## THE ARGUMENTATIVE USE OF RHETORICAL FIGURES

Speculative philosophers have long recognized that some philosophical questions cannot be given literal answers. Indeed, such philosophers speculate because of this recognition. William James nicely summarizes the view that such philosophers adopt:

The only material we have at our disposal for making a picture of the whole world is supplied by the various portions of that world of which we have already had experience. We can invent no new forms of conception, applicable to the whole exclusively, and not suggested originally by the parts. All philosophers, accordingly, have conceived of the whole world after the analogy of some particular feature of it which has particularly captivated their attention.

Examples of such philosophical views readily come to mind: Plato's use of love as a metaphysical concept, Aristotle's use of desire, Plotinus' use of the emanation of light from its source, Hegel's use of reason, Schopenhauer's use of will, and Dewey's use of experience. Each of these views and many more interpret a mysterious world in terms of something familiar.

Of course, this dependence upon analogical reasoning has caused many to criticize speculative philosophy as invalid. Locke's sentiments are paradigmatic:

if we would speak of things as they are, we must allow that all the art of rhetoric, besides order and clearness: all the artificial and figurative application of words eloquence hath invented, are for nothing else but to insinuate wrong ideas, move the passions, and thereby mislead the judgment; and so indeed are perfect cheats:

and therefore, however laudable or allowable oratory may render them in harangues and popular addresses, they are certainly, in all discourses that pretend to inform or instruct, wholly to be avoided; and where truth and knowledge are concerned, cannot but be thought a great fault, either of the language or person that makes use of them.

Such critics, however, forget how greatly all thinking depends upon analogy, even though logicians of earlier times were well aware of this dependence:

Let us consider in the first place the process of Geometrical Reasoning. . . . When in the fifth proposition of the first book of Euclid we prove that the angles at the base of an isosceles triangle are equal to each other, it is done by taking one particular triangle as an example. . . . But Euclid says nothing about other isosceles triangles; he treats one single triangle as a sufficient specimen of all isosceles triangles, and we are asked to believe that what is true of that is true of any other. . . . This might seem to be the most extremely Imperfect Induction possible, and yet every one allows that it gives us really certain knowledge. . . . The generality of this geometrical reasoning evidently depends upon the certainty with which we know that all isosceles triangles exactly resemble each other. . . . Upon a similar ground rests all the vast body of certain knowledge contained in the mathematical sciences. . . .

Jevons then shows that algebraic truths similarly depend upon resemblance, as do all imperfect inductions. i.e., empirical generalizations. To point out, however, that formal logic also depends upon analogical reasoning, he does not consider necessary, for after all, when one argues that arguments are valid

by form alone, he is obviously arguing that all arguments of a certain kind are analogous to one another and thus either all valid or all invalid. The validity of the method of counterexample in disproving the validity of an argument also rather obviously depends upon analogy, for in a counterexample, one merely argues that since one argument is obviously invalid and since it is exactly analogous to another, that argument too must be invalid.

Analogy, however, is the basis of three figures of speech which themselves can be used argumentatively. Simile, metaphor, and allegory are nothing more than ways of presenting analogies in support of some proposition. For example, when Plato wishes to argue that goodness is a creative and enlightening force in the world, he compares goodness to the sun:

---But, Socrates, what is your own account of the Good? . . .

---I am afraid it is beyond my powers. . . . However, I will tell you . . . what I picture . . . as . . . the thing most nearly resembling it.

Plato, in this passage and in what follows it, argues that because the sun resembles the good, and because the sun is both a creative and enlightening force in the world, the good too must figuratively be such a creative and enlightening force. The form of Plato's argument is analogical.

If one questions the soundness of an analogical argument, the validity of the form is not usually being questioned; rather, the exactness of the comparison is. The conditions of Plato's argument are no different than those mentioned by Jevons in the following lines:



It is very instructive to contrast with these cases certain other ones where there is a like ground of observation, but not the same tie of similarity. It was at one time believed that if any integral number were multiplied by itself, added to itself and then added to 41, the result would be a prime number. . . .

This was believed solely on the ground of trial and experience, and it certainly holds for many values. . . . No reason however could be given why it should always be true, and accordingly it is found that the rule does not always hold true, but fails when  $x=40$ . . . .

We find then that in some cases a single instance proves a general and certain rule, while in others a very great number of instances are insufficient to give any certainty at all; all depends upon the perception we have of similarity or identity between one case and another. We can perceive no similarity between all prime numbers which assures us that because one is represented by a certain formula, also another is; but we do find such a similarity between . . . isosceles triangles.

In other words, if one is dubious of the soundness of Plato's argument, the dubiousness is caused not by the argument's form but because no reason for the claimed similarity is apparent. Thus Plato converts a simile into an argument which is sound if the comparison which the simile makes is exact and which is dubious to the extent that the comparison's exactness fails or is unknown. If Plato's argument is fallacious then, it is so because it commits a material rather than a formal fallacy.

Plato's argument in which the similarity of the objects compared is not evident can be contrasted with an argument of Berkeley's in

which the similarity is evident. In *Three Dialogues between Hylos and Philonous Berkeley*, given the premise that "no idea can exist unless it be in a mind," argues,

I have properly no idea either of God or any other spirit; for these, being active, cannot be represented by things perfectly inert as our ideas are. I do nevertheless know that I, who am a spirit or thinking substance, exist as certainly as I know my ideas exist [since no idea can exist unless it be in a mind]. . . . I [thus] know what I mean by the terms "I" and "myself"; and I know this immediately or intuitively, though I do not perceive it. . . . The mind, spirit, or soul is that indivisible unextended thing which thinks, acts, and perceives. I say "indivisible," because unextended; and "unextended," because extended, figured, movable things are ideas; and that which perceives ideas, which thinks and wills, is plainly itself no idea, nor like an idea. I do not therefore say my soul is an idea, or like an idea. However . . . my soul may be said to furnish me with an idea [in a figurative but not literal sense], that is, [figuratively] an image or likeness of God. . . . For all the notion I have of God is obtained by reflecting on my own soul, heightening its powers, and removing its imperfections. I have therefore . . . in myself some sort of an active thinking image of the Deity. And though I perceive Him not by sense, yet I have a notion of Him, or know Him by reflection and reasoning [i.e., by analogy]. [Since God is the] omnipresent eternal Mind which knows and comprehends all things, and exhibits them to our view.

Given Berkeley's premises that no idea can exist unless it be in a mind, that "sensible objects," i.e., material objects, are nothing more than "the things we perceive by sense," and that the things we perceive by sense are 'our own ideas and sensations,' the

analogical argument previously quoted is sound; it can only be rejected if a premise is false. Thus the meaning of Berkeley's word "notion" is merely "idea or knowledge gotten by means of figurative reasoning."

This case for the argumentative use of figures which are based upon the resemblance between two objects of different kinds is, of course, the easiest to make, and what has been written about simile can easily be rewritten to apply to metaphor and allegory. However, these are not the only figures that can be used argumentatively. Synecdoche and metonymy are also sometimes the basis for arguments.

For example, a fundamental Cartesian inference may be said to be based upon synecdoche: In the first part of his *Discourse on Method*, Descartes argues that

Good sense is of all things in the world the most equally distributed, for as to reason or sense, inasmuch as it is the only thing that constitutes us men and distinguishes us from the brutes, I would fain believe that it is to be found complete in each individual, and in this I follow the common opinion of the philosophers, who say that the question of more or less occurs only in the sphere of the accidents and does not affect the forms or natures of the individuals in the same species.

Descartes' appeal to authority here is unconvincing, however, for his philosophical predecessors were not rationalists. (Aristotle could, for instance, argue for the rationality of man empirically as he does in the *Nicomachean Ethics*;<sup>10</sup> Descartes, however, cannot.) Thus he must justify the proposition that man is a rational being in another way, since that proposition is neither a

first-person psychological statement nor an obvious logical truth. I would like to suggest that he does do so by arguing that since I am a man and since I am rational, to be a man is to be rational even though this argument can, of course, merely be understood as an invalid syllogism that fails to distribute its middle term. The argument can, however, also be understood as an inference based upon synecdoche in that in the argument, a characteristic part of a thing is being taken as a standin for the thing. Whether or not the inference is sound then depends upon how characteristic the part actually is. For instance, if one were to call Plato The Dialectician, to infer that anyone who is a true Platonist is also a dialectician would be proper, since dialectic is a characteristic ingredient in Plato's philosophical views. However, if one were to call Aristotle The Peripatetic, to infer that anyone who is a true Aristotelian is also a peripatetic (in its literal sense) would be improper, since walking about is not a characteristic ingredient in Aristotle's philosophical views. Thus Descartes can be thought of as arguing in this way: Since reason is characteristically an aspect of me and since I am a man, reason is characteristically an aspect of man; thus to be a man is to be rational. The concept of rationality an attribute which is characteristic of man can properly be used as a standin for the concept of man. That reason is characteristically human is the argument's conclusion, and synecdoche is the argument's basis. Again, if reason is characteristically human, the argument is sound.

Kant too resorts to figurative argumentation in crucial places. For instance, in the Critique of Pure Reason, the categories are given their literal usages in reference to the manifold of intuition, and among the categories is the concept of unity. Thus "unity" in its literal sense applies only to intuitions. But in the "Transcendental Deduction," Kant applies the concept of unity to a transcendental

object the transcendental unity of apperception. This latter use of "unity" can only be figurative, and Kant makes the distinction between this figurative use of "unity" and the literal category quite clear:

This unity, which precedes a priori all concepts of combination, is not the category of unity; for all categories are grounded in logical functions of judgment, and in these functions combination, and therefore unity of given concepts, is already thought. Thus the category already presupposes combination. We must therefore look yet higher for this unity, namely in that which itself contains the ground of the unity of diverse concepts. . .

If anyone should question Kant's right to apply to a transcendental object a concept which is a category, one could in turn construe Kant's reply like this: Since the transcendental object is "the ground of the unity of concepts," the transcendental object is related to the category as a cause is related to its effect. Therefore, some indication of the nature of the ground of the concept can be derived from the nature of its sequent; the name of the sequent can figuratively be applied to the ground itself. The rhetorical figure upon which the inference is based is metonymy, and again, if one questions the soundness of the argument, the relationship between the terms of the argument and not its form is what is usually being questioned.

Little, if anything, of philosophy would be left if everything within it that is based upon figurative inferences were abandoned. Indeed, what great philosophers from ancient times to the twentieth century have written can be used to support the contention that philosophy is nothing more than the provocative use of such inferences. While trying to define the phrase

"speculative philosophy," Whitehead wrote that "Words and phrases must be stretched towards a generality foreign to their ordinary usage; and however such elements of language be stabilized as technicalities, they remain metaphors mutely appealing for an imaginative leap,"<sup>12</sup> and Aristotle, while discussing figurative language, wrote that "metaphor must be by transference from things that are related, but not obviously so, as it is a sign of sound intuition in a philosopher to see similarities between things that are far apart."<sup>13</sup> Throughout the alphabet of philosophy, from its Aristotle to its Whitehead, so to speak, figurative inference has been the philosopher's peculiar mode of thought, and Aristotle's reference to the "sound intuition" of a philosopher is exemplified by Plato. If when he argued that the sun is the thing most nearly resembling goodness Plato had . . . instead argued that the sun is the thing most nearly resembling knowledge, the validity of the analogy would have been obvious, since knowledge is figuratively both a creative and enlightening force in the world. The obviousness of this analogy would have rendered Plato's thought superficial however, and only the soundness of his intuition enabled him to sense the similarity between goodness and lightthings which are in Aristotle's words "far apart"made his thinking profound, and endowed it with insight, while Berkeley's unimaginative use of analogical reasoning yields no insight at all.

This figurative mode of thought is, however, only deceptively peculiar, for it models the most generic attributes of thinking itself. A critic, for instance, may contend that what distinguishes formally valid argumentation from figurative argumentation is the tautological character of the valid forms, and this contention implies, of course, that no tautological principles justify the figurative forms. But one can justify the validity of the figurative

forms which are previously exemplified by citing the very same grounds that justify all valid reasoning.

Consider arguments which are based upon resemblance. If the comparisons are exact, such arguments yield true conclusions only because resemblance is founded upon the principle of identity: only because one thing is identical to another can anyone argue that what is true of the one is also true of the other. Failure to understand that the principle of identity justifies analogical argument leads to the wholly illogical rules that are often given in discussions of argument by analogy, for such rules are based upon the totally unjustifiable principle that if one thing is very much like another, then what is true of the one is very likely true of the other. Yet no matter how many characteristics two different things of different kinds are known to share, that these things probably both share another characteristic which is prominent in only one is in no way justifiable, since the characteristic in question may be one of those which differentiates the kinds. Instead, the valid (and tautological) principle which justifies analogical reasoning is this: if one thing is essentially like another, then what is essentially true of the one is essentially true of the other, and this kind of essential likeness between the sun and goodness is what Plato, for instance, relies upon. Inferences which are based upon synecdoche are likewise based upon a tautological principle, for such arguments merely state that implications of a thing's essence can be attributed to the thing. In other words, if a thing's essence implies hidden attributes, they are nevertheless essential attributes of the thing, and this maxim is obviously tautological since its negation is self-contradictory.

Yet the most fundamental principle of all is the one which underlies inferences which are based upon metonymy, because

this principle is presupposed by all reasoning, for when one argues that the essential attributes of an effect, conclusion, or sequent can be figuratively attributed to the corresponding cause, reason, or ground, he is implying the well-known philosophical principle that a thing's cause, reason, or ground contains in essence (either objectively, formally, or eminently, as Descartes would say) the effect, conclusion, or sequent. In other words, when one argues that the essential attributes of an effect, conclusion, or sequent can be figuratively attributed to the corresponding cause, reason, or ground, he is arguing that the cause, reason, or ground essentially implies the effect, conclusion, or sequent, for if the effect, conclusion, or sequent were not in some way essentially implied in the cause, reason, or ground, the former could never be derived from the latter. Formal reasoning presupposes this principle for such reasoning is nothing but the explicating of what is implicated in the premise, the unfolding of what is folded into the premise, and the rules of natural deduction are nothing more than some ways of unfolding the fabric of thought. Likewise, discussions of informal fallacies merely show that certain kinds of consequents are not implicated in certain kinds of grounds and that certain kinds of grounds are not explicated in certain kinds of consequents, and calling this kind of reasoning informal merely means that no ways of unfolding what is folded into the fabric of thought or of folding into that fabric what is unfolded can be specified. Rules for proper inductions are likewise nothing more than rules for ascertaining when what is explicated in sequents is something essentially implicated in the ground. Thus all reasoning formal, informal, inductive, and figurative is merely the unfolding of what is folded in or the folding in of what is unfolded, the explicating of the implicated or the implicating of the explicated, and the same presupposition underlies all modes of thought, including



the figurative mode. The absence of rules to govern the correctness or incorrectness of figurative argumentation is thus no more mystifying than is the absence of such rules for the correctness of informal reasoning or the absolute validity of imperfect induction. The perception of the correctness or incorrectness of reasoning of all kinds is at bottom founded on what Aristotle has referred to as "sound intuition."

Of course, this mode of thought which is peculiar to speculative philosophy has not only led critics to contend that speculative philosophy is a mistaken venture but also that such philosophy is overly obscure. Within this contention is the implication that if philosophers thought and wrote less figuratively, both their obscurity and the spells it casts would be broken, that the art of plain talk would sweep the metaphysical closet clean of eerie and ensnaring cobwebs. The admonition is clear: Brand Blanshard, in condemning philosophical obscurity and appealing for some measure of clarity, has written that the use of "words that carry images with them that sort of words that poets use is not the way to write philosophy."

But the admonition refutes itself and buttresses the philosophical view, for Mr. Flesch's advice goes like this:

If you had a smattering of Chinese, you could teach yourself simple English in no time. You could apply the Chinese way of talking to your own language, and without much effort you would form the habit of terse, clear, picturesque talk.

And when abstract philosophy is considered,

If you think, however, that Chinese has no way of expressing abstract ideas, you are wrong. Remember, the Chinese were

talking and writing about religion and philosophy long before our own civilization started. If they had no exact word for an abstraction, they used the concrete word, or words, that come nearest to the idea. So, naturally they formed the habit of expressing ideas by metaphors, similes, and allegories, in short, by every known device for making a thing plain by comparing it with something else.

Somehow the conclusions that speculative thinking is as valid as any and that philosophical obscurity is already the brightest clarity now seem arrestingly evident. The whirlpool of figurative reasoning is what sucks man into the depth of philosophical profundity and relates metaphysics to poetry.

## THE DISFUNCTIONAL AMERICAN GOVERNMENT

There is a lot of talk in America about dysfunctional families, but none about our dysfunctional government. Americans, apparently, do not recognize its dysfunctionality; yet people in other countries do. On Friday, September 30, 2005, the Canadian press ran the following item:

TORONTO - Canada's ambassador to the United States painted an unflattering picture of the way government works south of the border yesterday, calling it "dysfunctional," overly complex and in dire financial straits. . . .

The article cited only one bit of evidence:

He said one senator there has 75 staff members, which shows that U.S. policymaking is "so complex that even people who work within government need help to navigate through it."

Although this isn't much evidence, there is a huge amount of evidence available.

A common way to judge how well anything is functioning is to judge the results it produces. Judged by this standard, the following list shows just how dysfunctional our government is.

1. When I was in grammar school, I was told that the maxim that epitomized the American judicial system was that it is better that a guilty person go free than an innocent person be convicted. Yet today, the judicial routinely convicts the innocent, sometimes of capitol crimes. So if the goal of a judicial system to is render justice, the American judicial system now fails to do so; it is dysfunctional. Furthermore, in an attempt to make criminals pay dearly for their actions, sentencing guidelines compel judges to mete out long sentences. Unfortunately, hardly anyone ever serves them, since our prison facilities is not large enough to house the

- number of persons convicted, which results in early release. The system is broken; it does not work; it is dysfunctional.
2. The immigration system has been revised a number of times in recent decades; yet the problem of illegal immigration persists. Yet Americans often criticize other nations for not controlling their borders. Our immigration system is dysfunctional, worse, it does not function at all.
  3. Americans have been fighting a war on drugs for almost fifty years; yet the flow of illegal drugs into our nation has hardly been stemmed if it has been stemmed at all. This policy is dysfunctional; it does not work.
  4. The American health care system deprives many Americans of the basic health coverage one could argue that all human being are entitled to as a human right. Numerous attempts at reforming it have been made; none have worked. The health care system is dysfunctional.
  5. Americans are subject to a patchwork of pension systems; yet for most people, this patchwork fails to provide for an adequate retirement, and even the government's system for guaranteeing the integrity of the present system is in disarray. The system is broken; it is dysfunctional.
  6. Recent events have shown just how dysfunctional FEMA is. Does one need more evidence? The American government cannot guarantee justice to its citizens; it cannot control our borders; it cannot provide Americans with basic health care; it cannot stem the flow of illegal drugs and, presumably, other contraband; it cannot provide Americans with a reliable pension system or with adequate emergency relief. The federal highway system is in disrepair, and our railroads are an international disgrace. The federal tax system is an undecipherable hodge-podge that undergoes continual revision, and even our electoral system

exhibits serious flaws which the government does not seem to be able to address. What more proof does one need?

## THE DISINTEGRATION OF FRACTURED DEMOCRACIES

*In America, the Fracturing results from the Economic System*

Consider this paraphrased account of a famous nation's demise:

The death of the nation was both violent and natural. The fatal agents were the organic disorders of the system. The government had proven incapable of solving problems: it failed to preserve domestic order or an effective defense; it discovered no way of reconciling local autonomy with national stability and power; and its love of liberty failed to interfere with its passion for empire and war. The class struggle had become bitter beyond control and had turned democracy into a contest in legislative looting. The legislature degenerated into a mob, rejecting all restraint, voting itself every favor, and crushing initiative, industry, and thrift.

Education spread, but thinly; it stressed knowledge more than character and produced masses of half-educated people. The old problem of ethics and morals found no solution in religion, statesmanship, or philosophy. Religious superstition spread even while science reached its apogee. The growth of knowledge secularized morals, marriage, parentage, and law, and the pursuit of pleasure prevailed. Public games degenerated into professional contests; the people, who had once been athletic, now became spectators, content to witness rather than to do. Sexual morality was relaxed, and human life was portrayed as a round of triviality, seduction, and adultery. . . . The nation had destroyed itself; it died of its own tyrannous anarchy.

What nation do these paragraphs describe? It could be the United States of America, but it is not. These paragraphs come almost

word for word from Will Durant's *The Life of Greece* where he describes the demise of Athenian democracy.

Madison, in *The Federalist*, No. 10, writes,

The friend of popular governments never finds himself so much alarmed for their character and fate, as when he contemplates their propensity to [factions]. . . . Complaints are everywhere heard . . . that our governments are too unstable, that the public good is disregarded in the conflicts of rival parties, and that measures are too often decided, not according to the rules of justice and . . . rights. . . .

The latent causes of faction are . . . sown in the nature of man. . . . A zeal for different opinions concerning religion, concerning government, and many other points, as well . . . ; an attachment to different leaders ambitiously contending for pre-eminence and power; or to persons of other descriptions whose fortunes have been interesting to the human passions, have, in turn, divided mankind into parties, inflamed them with mutual animosity, and rendered them much more disposed to vex and oppress each other than to co-operate for their common good. . . . But the most common and durable source of factions has been the various and unequal distribution of property. . . .

It is in vain to say that enlightened statesmen will be able to adjust these clashing interests, and render them all subservient to the public good. Enlightened statesmen will not always be at the helm. . . .

The inference to which we are brought is, that the CAUSES of faction cannot be removed, and that relief is only to be sought in the means of controlling its EFFECTS. . . .

By what means is this object attainable? . . .

Madison believed that “[A]s each representative will be chosen by a greater number of citizens . . . it will be more difficult for unworthy candidates to practice with success the vicious arts by which elections are too often carried; and the suffrages of the people being more free, will be more likely to centre in men who possess the most attractive merit and the most diffusive and established characters.” Unfortunately he was wrong, but he was right in writing that “Men of factious tempers, of local prejudices, or of sinister designs, may, by intrigue, by corruption, or by other means, first obtain the suffrages, and then betray the interests, of the people. . . .”

When the number of contentious factions in a society becomes large, society becomes ungovernable; it literally implodes. All appearances indicate that the United States has reached this point. A recent poll found that only 21% of Americans believe that the government functions with the people’s consent, and nearly six in ten Americans say they are dissatisfied with the way democracy works in the United States.

Aside from the government’s being paralyzed, violence is ubiquitous and uncontrollable and the incarcerated are routinely freed to make space for others. Worse, the judicial system often convicts the innocent. Many laws are routinely ignored by even those who are generally law abiding citizens. Religious and racial



intolerance is prevalent and often justified by untrue historical claims often taught to students in “history” classes.

Primitive societies are unified by common ancestries and beliefs, but current “advanced” societies lack both. The claim is often made, however, that there are fundamental beliefs that underlie even “advanced” societies. Unfortunately, these claims are always made on some level of generality. For instance, some claim that America was founded on “Christian” principles, but ‘Christian’ today is an abstract noun. It specifies nothing concrete. Yes, many of those who colonized America did so for religious reasons, but not all did, and those who did did not exhibit much “Christian” charity in dealing with others, even other Christians. The Constitution would never have been ratified by this disparate group had no assurance been given that the federal government would not attempt to impose a “state” religion upon the new nation, and even that did not placate all: Clifton Olmstead, in his *History of Religion in United States* quotes a Congregationalist minister about the separation: “It was as dark a day as ever I saw. The odium thrown upon the ministry was inconceivable. The injury done to the cause of Christ, as we then supposed, was irreparable,” and many today hold similar views. So, if someone had asked the colonists what “Christian” principles they all agreed to, I suspect that “None!” Would have been the answer.

But the same is true of what are called “American values” or, as it is often put, “what America stands for.” No one ever specifies what those values are or attempts to verify that Americans really hold them. Sen. David Vitter said, “I’m on the side of conservatives getting back to core conservative values,” but no one ever provides a specific list of them. As a matter of fact, the Pew Social and Demographic Trends Project found that

“American adults from young to old disagree increasingly today on . . . values ranging from religion to relationships, creating the largest generation gap since divisions 40 years ago over Vietnam, civil rights and women’s liberation.” So appeals to America’s core values are appeals to nothing real. No group of traditional beliefs exists to unite America’s disparate groups. America is a fractured society.

But how did this fracture come about? Many causes can be cited, but the ultimate cause is clear. The fracturing results from the economic system. Madison had that right, too: “the most common and durable source of factions has been the various and unequal distribution of property. . . .”

Think about it. Virginia was planned as a commercial venture by businessmen, operating through a joint-stock company, who wanted to get rich. Southern colonies were founded on the distinctly medieval concept of landed estates populated by masters and slaves, and Pennsylvania attracted an influx of immigrants with its policy of freehold ownership which meant that farmers owned their land free and clear of leases. This disparity of colonial economic systems brought about the Civil War.

American society is fractured by differing religious groups, racial groups, groups based on national origin, political groups, and economic groups. Waves of immigration were and still are being fostered to provide needed labor for America’s industrial enterprises, and although these waves of immigration are encouraged, the immigrants in each wave suffer racial and cultural discrimination. Assimilation, if it takes place at all, is

slow and painful. So, economic motives have a role in every aspect of creating what passes for American “society.”

Some Americans have a silly-putty view of human nature. They believe that persons who come to America from other cultures can be squeezed here and there and molded into Uncle Sams. They are to be assimilated by learning English and adopting American customs and “values.” But what the Americans who hold this belief don’t realize is that if immigrants can be so squeezed to become model Americans, Americans can be squeezed to become as “un-American” as the others.

Americans often reject ideas because they are termed “foreign.” For instance, socialism to Americans is a foreign ideology, but, although it goes unacknowledged, so is capitalism. Adam Smith and David Ricardo, the grandfathers of America’s capitalist economic system, were not Americans. In fact, hardly any ideologies that have taken root in American have American origins. Certainly not Christianity, democracy, or hegemony. And the one American idea often boasted of has been totally ineffective—the melting pot. It never got hot enough to melt anything. Fractious groups created by the needs of the economic system make up America’s uncivil society. Andrew Arena, head of the FBI’s field office in Detroit, has said “radical and extremist fringe groups . . . can be found throughout our society.” But the factions prevalent in American society are not limited to the “radical and extremist fringe.”

The fractiousness of these groups is fostered by America’s elite. The strategy is one of divide and conquer. Politicians prey on hot-button issues to generate antagonism between groups: women’s righters against pro-lifers, environmentalists against developers,

social liberals against social conservatives, labor against management, union organizers against right-to-work advocates, the poor against the wealthy, Republicans against Democrats and both against anyone else, hegemonists against pacifists, believers against atheists and often against each other, heterosexuals against homosexuals, whites against other races, Tea Parties against Coffee Cuppers, state's rightists against federalists, and on and on. These group disparities are promoted to the point that they are not just ideological disputes. Many in these groups genuinely dislike those in other groups, and although overt display of this dislike is often disparaged, it is nevertheless quietly accommodated. These antagonisms make unity unattainable. Divide and conquer has become divided we fall.

In the days immediately following September 11, 2001, the mainstream press touted America's "coming together" in response to the attacks on the Pentagon and the World Trade Center. But that coming together was quickly sundered. The Port Authority and the Lower Manhattan Development Corporation were soon at odds over how to redevelop the site. With much fanfare, a cornerstone was laid and secretly removed. Legal disputes over the attendant costs of illnesses related to the attacks are still in the court system. On the day of the attacks, New York City mayor Rudy Giuliani proclaimed, "We will rebuild. We're going to come out of this stronger than before, politically stronger, economically stronger. The skyline will be made whole again." But it hasn't. Any many now doubt that Americans have been told the truth about what really happened on nine/eleven. Not only is America a society at war with itself, there is little that Americans can even agree on.

Madison claims “that the causes of faction cannot be removed.” Perhaps! But factionalism can be minimized, and the way to do it is not difficult to discern. All that needs to be done is for governments to enact legislation that enhances the well being of people rather than institutions and special interests. Promoting an economic system that exploits the people and impoverishes them at fairly regular intervals, restrictions on freedom, and corruption of the political system are not effective ways of making friends and influencing people. They are, however, effective ways of promoting anger, sometimes to the point of hatred. Any government anywhere, regardless of its form, democratic or authoritarian, that governs for the few rather than all generates factions. Such governments sooner or later lose their legitimacies and their societies implode.

During the Revolutionary War, John Dickinson composed the Liberty Song. Its last stanza reads, “Then join hand in hand, brave Americans all, by uniting we stand, by dividing we fall; in so righteous a cause let us hope to succeed, for heaven approves of each generous deed.” Nations and the institutions they support fall unless governments, like decent men and women, exhibit compassion, generosity, and a concern for the welfare of real, living people. That’s all that saving America requires.

## THE MEDIA IN AMERICA: SELLING VIEWS, CALLING IT NEWS

America's journalists are not "newshounds." They are nothing more than salesclerks, hocking the products their employers want to sell. The pretty faces that now function as most television news anchors are no different than the pretty models used to sell other products. The American "free" press is comprised of nothing more than a number of retail outlets which sell stories slanted to please their target audiences. As such, they exist merely to sell snake oil.

Sometime in the 1960s, I took part in a university symposium along with three other faculty members—a political scientist, a historian, and a journalism professor. The topic was Freedom of the Press—Good or Bad.

During the sixties, the Cold War was being fought mightily. The Soviet Union's news agencies, TASS and Pravda, were continually attacked by the American "free press" as untrustworthy. A common claim was that a controlled press could never be trusted while a free press could, and my three colleagues on the panel supported that view. I did too, but only partially.

A controlled press, I argued, most certainly could not be trusted when reporting on governmental actions or policies, but I pointed out that much news is not affected by government, and I saw no reason to be suspicious of a controlled press' reporting on such matters. But I also argued that there was good reason to distrust the so called free press no matter what was being reported.

My argument rested upon the observation that a controlled press, being funded by its controlling government, had no need to attract readers while the so called free press had to rely on readers to remain economically viable. The free press had to market its wares in the same way that any retail company must, and one way to do that was to slant the news in ways that made it attractive to the news organization's target groups which, in a sense, biased all the stories the free press reported. And although the free press claimed to maintain objectivity by balancing the presentation, using two people of divergent political views, I pointed out that it was easy to select the two people in ways that made it seem that one side always prevails, the result being that the media divided itself into ideological groups, not even to mention that large segment of the press openly termed sensational-tabloid.

Although this symposium took place approximately half a century ago, my argument is easier to make today than it was then. The media in America today often openly declare their various points of view, from conservative Fox News to liberal MSNBC.

Distinguished from these "all news" outlets are the more traditional networks, ABC, CBS, and NBC. These can be likened to department stores, in which various products are sold throughout each day, so called news being only one of them. These networks have their departments—the game show department, the reality show department, the sports department, the business department, the celebrity department, and, of course, the "news" department.

What either type of medium does, however, is similar. Just as Macy's sells products of various kinds, the news sells stories, and each outlet distinguishes itself from the others by the slant in which each frames their products. Just as McDonalds distinguishes its burgers from those sold by BurgerKing, ABC distinguishes its stories from those told by NBC. In short, in the free press, the news is sold by slanting it in ways that make it appealing to the target audiences, and the slanting often takes up more time than telling the story does. An anchor often tells a story and then so called experts are used to embellish it by providing the slant. Unfortunately, the "experts" used often know nothing more about the issues discussed than the average viewer/listener does. The news, which many believe should consist of facts, becomes mere opinion.

Everyone must remember that there is no Hippocratic Oath for journalists; a person does not have to swear to report events truthfully to be a journalist. In fact, less is required of a journalist than of the plumber you call to unstop your toilet. In short, today's American journalist can be likened to the teenager on roller skates who brings the hot dog you ordered to your car at Sonic or the clerk behind the counter at Macy's. So anyone who criticizes the mainstream press for not being truthful, neutral, or objective is misguided. That's not what the mainstream press sells and criticizing it is as unreasonable as criticizing McDonalds for not selling lamb chops.

That the media need to differentiate products from those of competitors also limits the kinds of stories that can be reported. If adding a bias to a story is difficult because of the story's nature, the "free" press tends to ignore it. For instance, when the Iranian opposition engaged in anti-governmental demonstrations after



the last election, the American press made much of it because the story could easily be presented as an oppressive government's suppression of dissent. But the demonstrations against austerity policies taking place in Iceland, Ireland, Great Britain, France, and Greece have gone unreported because those demonstrations cannot be presented as demonstrations against oppressive governments. Similarly, the killing of Christians in Iraq and Egypt have gone unreported because they cannot be slanted to make them seem justified. If slanted any other way, they would provide anti-war Americans with another reason to argue against the wars. Furthermore, it is difficult to sensationalize stories about foreigners Americans know nothing of. So, for instance, stories about the antics of Italy's Berlusconi would have little attraction to American viewers/listeners. Ever since it joined Mrs. Merkel's German government, the fortunes of the pro-business Free Democrats have been dramatically changed from a party that won 15 percent during the federal elections of September 2009 to below 5 percent today, because of an increasing negative attitude of Germans for business since the current economic collapse began, a story that cannot easily be told to Americans because of American pro-business attitudes.

Snardfarker.ning.com claims that there are five reasons that the mainstream media is worthless. (1) Self-Censorship by journalists who are afraid to do what journalists were put on this green earth to do. "There's the intense pressure to maintain access to insider sources. . . . There's the fear of being labeled partisan if one's bullshit-calling isn't meted out in precisely equal increments along the political spectrum." (2) Censorship by higher-ups. "If journalists do want to speak out about an issue, they also are subject to tremendous pressure by their editors or producers to kill the story." (3) To drum support for war. "Why has the American press consistently served the elites in disseminating

their false justifications for war? One of the reasons is because the large media companies are owned by those who support the militarist agenda or even directly profit from war and terror (for example, NBC . . . was owned by General Electric, one of the largest defense contractors in the world – which directly profits from war, terrorism and chaos).” (4) Access. “For \$25,000 to \$250,000, The Washington Post . . . offered lobbyists and association executives off-the-record, nonconfrontational access to ‘those powerful few’ Obama administration officials, members of Congress, and – at first – even the paper’s own reporters and editors.” And (5) Censorship by the Government. “the government has exerted tremendous pressure on the media to report things a certain way. Indeed, at times the government has thrown media owners and reporters in jail if they’ve been too critical.” These reasons are true to some extent, but the ultimate reason is merely the need to grow the bottom line, to make money which is, after all, the reason the media exists in America.

The consequence of all of this is that Americans have become mentally isolated. The world beyond America’s borders is an amorphous, unknown land. As Zbigniew Brzezinski has recently said, “most Americans are close to total ignorance about the world. They are ignorant.” What people don’t realize is how much of this ignorance is the result of the American “free” press’ need to slant its reporting. Brzezinski finds this “unhealthy,” and he is right, since America’s “foreign policy has to be endorsed by the people if it is to be pursued.” And this ignorance makes it easy for the government to convince the people that some disastrous policy is appropriate.

Americans who are critical of the mainstream press have an idealized notion of what the press is. They indict the press for not

being what the press should be but is not and never has been. The press' need to sell its products makes it impossible to be what it should be.

Unfortunately, the alternative press has adopted many of the mainstream press' models. There are sites devoted exclusively to ideological stories –conservative, liberal, libertarian, pro and anti war, global warming, carbon taxation, and more—all in an attempt to attract readers. So the truth doesn't emerge there either. How then can we find it?

There was once a small segment of the “free” press called investigative journalism which has now become almost entirely extinct. Perhaps this has happened because of the difficulty of prying information out of governmental agencies and corporate entities. About the only way to get that hidden information is to have it leaked by some whistleblower to some site that can protect the anonymity of the leaker. WikiLeaks is a start, but many such sites are needed if all the lies and disinformation is to be revealed. And, yes, it is likely that governments and even corporations will create pseudo-leaking sites to try to obfuscate the truth revealed by any leaker. But if the sites can, as WikiLeaks does, disseminate actual source documents that any reader can judge the authenticity of for her/himself, much more of the truth will emerge than can emerge now.

Slanted journalism must, of course, be debunked. Many alternative journalists already do this quite well, but sites like WikiLeaks are also necessary to combat the increasing secrecy that even the “free” press must contend with. Slanted reporting must be debunked, and leaking and whistleblowing must be

encouraged and protected if the truth is ever to get a change of emerging from the darkness of insidious secrecy.

America's journalists are not "newshounds." Although I suspect that each and every one of them will consider this an insult, they are nothing more than salesclerks, hocking the products their employers want to sell. The pretty faces – well at least not ugly – that now function as most news anchors are no different than the pretty models used to sell other products. The American "free" press is comprised of nothing more than a number of retail outlets which sell stories slanted to please their target audiences. As such, they exist merely to sell snake oil.

## THE NEW TYRANNY

Tyranny, defined as the power of absolute rulers, monarchs and dictators, is well known. Democracy, although it sometimes fails, is said to be the antidote to this type of tyranny. But people will, in times of stress, elect persons who then subvert the democratic system and become absolute rulers.

Not as well known is the tyranny caused by majority approved restrictions on minorities. This type of tyranny was fully exposed by John Stuart Mill in his 1869 pamphlet *On Liberty* and is quite prevalent throughout the world. Perhaps this pamphlet should be required reading in all democracies. Ethnic cleansing is the severest example of such tyranny, but many lesser examples also exist. In America today, this type of tyranny is becoming more and more prevalent. So called political correctness imposes severe restrictions on the Constitutional right of freedom of speech, and restricting the majority disliked actions of sub-groups has come to be considered quite normal and appropriate. The effect of such restrictions is often to turn normally law-abiding people into criminals, even though these restrictions rarely change basic attitudes and only result in the actions being hidden from public view. But it is not the type of tyranny this piece addresses.

A recent Gallop poll measured the approval rating of a number of American institutions. The results are astounding: only 54% approves of the way our police operate, only 46% approves of organized religion, only 41% approves of how our banks operate, only 34% approves of the Supreme Court, only 33% approves of our public schools, only 31% approves of our medical system, only 23% approves of television news, only 22% approves of our newspapers, only 21% approves of our criminal justice system, only 18% approves of the way big business operates, and, worst of all, only 14% approves of the actions of the Congress.

One would think that the people involved in these institutions would be ashamed of such low approval ratings and would want to do something about them. Doesn't a crisis exist when only a third or less approve of most of our fundamental institutions? Yet the people running these institutions seem to be perfectly content with things just as they are. One wonders whether these people have any self-respect. How can they not care that the people think so little of them? That they continue to conduct business as usual constitutes an inexplicable situation, reminiscent of the attitudes of Louis XVI and Tsar Nicholas II before their untimely deaths. The attitudes of these monarchs can be explained as the arrogance of power. Can the same explanation be applied to what is going on in America today?

Wealthy special interests seem to have acquired almost complete control of American institutions, especially our political institutions. Both the Democratic and Republican parties, along with the complicity of the big-corporate owned press, have succeeded in locking out any political competition. Laws, written by the politicians in both parties, make running for office as an outsider very difficult, and the press, especially the national press, manages to keep any outside contender who manages to get on the ballot out of the news by restricting access to the press and press-sponsored debates. Special interest money funds the entire process, and those special interests collect their rewards when the Congress enacts legislation favorable to them. The judges in our Federal Courts are political appointees, who far more often than not, toe the establishment line. Instead of a nation of the people, by the people, and for the people, we have a nation of special interests, by corrupt politicians, for special interests. Although we don't use the term, this system is tyrannical. The establishment has subverted our democracy.

Someone may point out that Congressmen, especially as elections approach, do concern themselves with the people's will. Unfortunately, their concern rarely amounts to more than claims of support and promises that are hardly ever provided and fulfilled. True, Congressmen prefer to be reelected, but protecting the system has a higher priority, and when defeated, they can usually count on lucrative positions in government-related, but non-governmental positions. They trade their votes for influence-peddling portfolios. Turning out one politician often merely means replacing him with another cut from the same cloth. When the Congress enacts legislation it knows a large majority of the people rejects, the arrogance of power has achieved its effect. So can American democracy be salvaged? It took violent revolutions in France and Russia to eliminate their tyrannical governments, but revolution was easier then than it is today. Perhaps the only possibility is a drastic loss of American economic power and international influence, because defeating the establishment in any other way may very well be impossible.

## THE PSYCHOPATHIC CRIMINAL ENTERPRISE CALLED AMERICA

*The Government uses the Law to Harm People and Shield the Establishment*

Most Americans know that politicians make promises they never fulfill; few know that politicians make promises they lack the means to fulfill, as President Obama's political posturing on the Deepwater Horizon disaster in the Gulf of Mexico makes perfectly clear.

Obama has made the following statements:

He told his "independent commission" investigating the Gulf oil spill to "thoroughly examine the disaster and its causes to ensure that the nation never faces such a catastrophe again." Aside from the fact that presidential commissions have a history of providing dubious reports and ineffective recommendations, does anyone really believe that a way can be found to prevent industrial accidents from happening ever again? Even if the commissions findings and recommendations succeed in reducing the likelihood of such accidents, doesn't this disaster prove that it only takes one? And unlikely events happen every day.

The president has said, "if laws are insufficient, they'll be changed." But no president has this ability, only Congress has, and the president must surely know how difficult getting the Congress to effectively change anything is. He also said that "if government oversight wasn't tough enough, that will change, too." Will it? Even if he replaces every person in an oversight position, he can't guarantee it. The people who receive regulatory



positions always have ties to the industries they oversee and can look forward to lucrative jobs in those industries when they leave governmental service. As long as corporate money is allowed to influence governmental action, neither the Congress nor regulators can be expected to change the laws or regulatory practices in ways that make them effective, and there is nothing any president can do about it. Even the Congress' attempt to raise the corporate liability limit for oil spills from \$75 million to \$10 billion has already hit a snag.

The President has said that "if laws were broken, those responsible will be brought to justice" and that BP would be held accountable for the "horrific disaster." He said BP will be paying the bill, and BP has said it takes responsibility for the clean-up and will pay compensation for "legitimate and objectively verifiable" claims for property damage, personal injury, and commercial losses. But "justice" is rendered in American courts, not by the executive branch. Any attempts to hold BP responsible will be adjudicated in the courts at the same snail's pace that the responsibility for the Exxon-Mobile Alaska oil spill was adjudicated and likely will have the same results.

The Exxon Valdez oil spill occurred in Prince William Sound on March 24, 1989. In *Baker v. Exxon*, an Anchorage jury awarded \$287 million for actual damages and \$5 billion for punitive damages, but after nineteen years of appellate jurisprudence, the Supreme Court on June 25, 2008 issued a ruling reducing the punitive damages to \$507.5 million, roughly a tenth of the original jury's award. Furthermore, even that amount was reduced further by nineteen years of inflation. By that time, many of the people who would have been compensated by these funds had died.

The establishment calls this justice. Do you? Do those of you who reside in the coastal states that will ultimately be affected by the Deepwater Horizon disaster really believe that the President can make good on this promise of holding BP responsible? By the time all the lawsuits filed in response to this disaster wend their ways through the legal system, Mr. Obama will be grayed, wizened, and ensconced in a plush chair in an Obama Presidential Library, completely out of the picture and devoid of all responsibility.

Politicians who engage in this duplicitous posturing know that they can't fulfill their promises. They know they are lying; yet they do it pathologically. Aesop writes, "A liar will not be believed, even when he speaks the truth." Perhaps that's why politicians never do.

Government in America consists of law. Legislators write it, executives apply it, and courts adjudicate it. But the law is a lie. We are told to respect the law and that it protects us. But it doesn't. Think about it people! The law and law enforcement only come into play *secundum vitium* (after the crime). The police don't show up before you're assaulted, robbed, or murdered; they come after. So how does that protect you? Yes, if a relationship of trust is violated, you can sue if you can afford it, and even that's not a sure thing. (Remember the victims of the Exxon-Valdez disaster!) Even if the person who violated the relationship gets sanctioned, will you be "made whole"? Most likely not! Relying on the law is a fool's errand. It's enacted, enforced, and adjudicated by liars.

The law is a great crime, far greater than the activities it outlaws, and there's no way you can protect yourself from it. The

establishment protects itself. The law does not protect people. It is merely an instrument of retribution. It can only be used, often ineffectively, to get back at the malefactor. It never un-dos the crime. Executing the murderer doesn't bring back the dead. Putting Ponzi schemers in jail doesn't get your money back. And holding BP responsible won't restore the Louisiana marshes, won't bring back the dead marine and other wildlife, and won't compensate the victims for their losses. Carefully watch what happens over the next twenty years as the government uses the law to shield BP, Transocean, and Halliburton while the claims of those affected by the spill disappear into the quicksand of the American legal system.

Jim Kouri, citing FBI studies, writes that "some of the character traits exhibited by serial killers or criminals may be observed in many within the political arena.;" they share the traits of psychopaths who are not sensitive to altruistic appeals, such as sympathy for their victims or remorse or guilt over their crimes. They possess the personality traits of lying, narcissism, selfishness, and vanity. These are the people to whom we have entrusted our fate. Is it any wonder that America is failing at home and world-wide?

Some may say that this is an extreme, audacious claim. I, too, was surprised when I read Kouri's piece. But anecdotal evidence to support it is easily cited. John McCain said "bomb, bomb, bomb" during the last presidential campaign in response to a question about Iran. No one in government has expressed the slightest qualms about the killing of tens of thousands of people in both Iraq and Afghanistan who had absolutely nothing to do with what happened on nine/eleven or the deliberate targeting of women and children by unmanned drones in Pakistan. What if

anything distinguishes serial killers from these governmental officials? Only that they don't do the killing themselves but have others do it for them. But that's exactly what most of the godfathers of the *cosa nostra* did.

So, there are questions that need to be posed: Has the government of the United States of America become a criminal enterprise? Is the nation ruled by psychopaths? Well, how can the impoverishment of the people, the promotion of the military-industrial complex and endless wars and their genocidal killing, the degradation of the environment, the neglect of the collapsing infrastructure, and the support of corrupt and authoritarian governments (often called democracies) abroad be explained? Worse, why are corporations allowed to profiteer during wars while the people are called upon to sacrifice? Why hasn't the government ever tried to prohibit such profiteering? It's not that it can't be done.

In the vernacular, harming people is considered a crime. It is just as much a crime when done by governments, legal systems, or corporations. The government uses the law to harm people or shield the establishment from the consequences of harming people all the time. Watch as no one from the Massey Energy Co. is ever prosecuted for the disaster at the Upper Big Branch coal mine. When corporations are accused of wrongdoing, they often reply that what they did was legal, but legal is not a synonym for right. When criminals gain control, they legalize criminality.

Unless the government of the United States changes its behavior, this nation is doomed. No one in government seems to realize that dissimulation breeds distrust, distrust breeds suspicion, and suspicion eventually arouses censure. Isn't that failure of

recognition by the establishment a sign of criminal  
psychopathology?

## THE REAL PROBLEMS WITH WATER CONSERVATION

When I read the suggestions for conserving water, it brought to mind the continual American tendency to attempt to solve problems by putting the onus on those not primarily responsible and least capable of solving them. Thus we neglect the causes of these problems and are never able to solve them.

You present eight suggestions for ordinary people to follow in their homes. And although each would indeed save water, the effectiveness of these solutions would depend entirely upon the number of people you could get to work together in these ways. But anyone who believes that it is possible to get enough people to cooperate in such ways to have a significant effect on the problem is a dreamer.

Yet I can think of things that can have significant effects on the problem. I have over the past many years lived in seven American states, and not once have I lived in a house that had insulated hot water pipes. As a result, one had to run the hot water two or three minutes before the water became hot enough to bathe in. And I suggest that this is happening in almost every American home. This waste could be eliminated with a good building code. But building codes require businesses to tackle the problem, and American legislators are not inclined to do that.

Here in Texas, cities are always imposing watering restrictions; yet they allow builders to put houses on unstable soil using foundations not meant for such conditions. The owners of these homes are told to keep the soil around their foundations moist year round to ameliorate foundation problems. And one city I lived in that had watering restrictions also had a recycling program that required citizens to wash any glassware that was to be recycled.

Until the NWF and other organizations go after the people who allow these kinds of things to go on, no water conservation program will ever succeed.

## THE SELF-DESTRUCTION OF METAPHYSICS - A JUSTIFICATION OF LIVING UNDER THE INFLUENCE OF IDEALS

*According to [Metaphysics], all being . . . has been conceived as coming from a "Being in Repose." Heidegger: The Question of Being.*

Whether or not being idealistic makes sense ultimately depends upon the character of reality. Is reality pliable to man's touch? Is Being adaptable to his ideals? Or does the character of reality have a hand which is too heavy to be moved by man's efforts?

Of course, the study of "Being qua Being" has since Aristotle's time been the subject matter of metaphysics. Yet, as Heidegger writes, "Being remains mysterious." What is its character? Why after all of these years has the question of Being remained unsolved? Why have the properties that Being has "inherent in it in virtue of its own nature" never been settled upon?

Is this mysteriousness due to metaphysical blindness or must we conclude that some property inherent in Being in virtue of its own nature insures this continuing mystery? Have we by chance failed to discover this property because of the way in which we usually think of Being?

Generally, philosophers think of Being in terms of a gerund, for the gerund is, so to speak, the vehicle within which the concept is carried. But the gerund is only one of the concept's nouns: "essence" is a noun which is part of the concept, so is the infinitive "to be," and two participial nouns—the been and the being—are also parts of the concept. So one might say that Being's three essences, its states of Being, are the been, beings, and the to-be.



If one wanted to reveal Being qua Being, it would seem he would have to study Being's essences, for where else would the character of Being be revealed than in its states? If one seeks, thus, to reveal Being itself, he must first reveal the been, beings, and the to-be, and this revelation has always been the goal of metaphysicians.

Philosophers have, of course, philosophized about history to reveal the been in its character as Being, and the present is here before us to be observed. The future, however, is a barrier that hides the to-be. In order to overcome this barrier, philosophers have often thought that the to-be is what must be, and as what must be, that it can be known in advance. They have argued that "What is reasonable is actual; and, What is actual is reasonable."<sup>1</sup> So to know the to-be, one need merely know what reason requires. Since the been and beings are already knowable, the question of Being is thus reduced to a question of logic: What does reason require?

Plato, himself, initiates this theme in philosophy:

the ancients, who were our betters and nearer the gods than we are, handed down the tradition, that . . . things are . . . composed of one and many, and have the finite and infinite implanted in them: seeing, then, that such is the order of the world, we too ought in every inquiry to begin by laying down one idea of that which is the subject of inquiry; this unity we shall find in everything. Having found it, we may next proceed to look for two, if there be two, or, if not, then for three or some other number, subdividing each of these units, until at last the unity with which we began is seen not only to be one and many and infinite, but also a definite number; the infinite must not be suffered to approach the many until the entire number of the

species intermediate between unity and infinity has been discovered, —then, and not till then, we may rest from division, and without further troubling ourselves about the endless individuals may allow them to drop into infinity. This, as I was saying, is the way of considering and learning and teaching one another, which the gods have handed down to us.

Underlying Plato's words is this argument: if the world is ordered, and if logic, the logos, is the world's explanation, the world's underlying thought, then logic must be order itself. As Jevons points out,

All thought, so far as it deals with general names or general notions, may be said to consist in classification. . . . [Since] reasoning has been plausibly represented to consist of affirming of the parts of a class whatever may be affirmed of the whole. . . . [Thus] it would hardly be too much to define logic as the theory of classification.

So Plato tries to find the order of thoughts, i.e., of concepts. A description of this order constitutes a description of that supersensible reality which is the underlying, logical basis of sensible reality. The "one idea of that which is the subject of enquiry" is Being, and Plato shows us how to use the logic of division to divide this universal idea into its hierarchy of species, as Porphyry recognizes in the array commonly known as the tree. This array should eventually include every concept, and the order of the array should be the order of sensible reality. Plato's philosophy divides the cosmos into two realms: the one and the many, the ideal and the real, the universal and the particular, the mental and the physical, and his array is an ideal explanation of

the real. So because every been, being, and to-be can be known, Being as Being can be known.

Aristotle, in a smaller way, also tries to find a way of knowing the to-be in advance so that Being as Being can be known. He too asks, what is the relationship between the universal and the particular, *ho logos* and *ho cosmos*, logic and the world, form and matter, the ideal and the real? And most students of philosophy know that he tries to answer this question by developing what has come to be known as the science of logic; for in the syllogism, one deduces statements of less generality from statements of more generality. Aristotle, however, never presents an ultimate array of syllogisms which is meant to be a description of reality as a whole.

But during the Renaissance, this ancient theme is considered again. What is the relationship between mind and matter? becomes the dominant question. And rationalism's proposal of two distinct but coordinated realms of mind and matter leads naturally to the question of epistemology: If our thoughts are restricted to one realm, how can one ever know the other? Of course Kant's answer is that one cannot and that one need not. Kant thus gives us a description of human experience which does not require two realms, and his description depends upon the concept of order. Furthermore it is Kant too who, in the transcendental dialectic, tells us how to construct the ultimate array of syllogisms that Aristotle fails to present, and logic is again the basis of an ontological view.

Since Kant has shown that knowledge of two realms is unnecessary, philosophers no longer have had two questions to answer: The question about the relation between logic and reality,

mind and matter, is no longer appropriate. What is logic? is the only question that remains. As most students of philosophy know, Hegel, in response to this question, creates the philosophy of absolute idealism, because he sees this reduction most clearly: all is mind; Being is mind. Since Being is mind, it thinks logically; its thoughts constitute the development of logic and thus the development of the world. In other words, everything develops in accordance with the Idea.

Hegel also sees most clearly the difficulty that is inherent in Plato's dialectical array, for it assumes the use of a concept that does not appear in the array itself—the concept of negation. So Hegel develops a new logic, a new dialectical array, in which the concept of nothing definitely appears:

Pure Being makes the beginning: because it is . . . pure thought, and . . . immediacy itself, simple and indetermined. . . . But this mere Being, as it is mere abstraction, is therefore . . . just Nothing . . . [But] the distinction of course implies two things, and that one of them possesses an attribute which is not found in the other. Being however is an absolute absence of attributes, and so is Nought. Hence the distinction between the two is only meant to be; it is a quite nominal distinction, which is at the same time no distinction. . . . Nothing, if it be thus immediate and equal to itself, is also conversely the same as Being is. The truth of Being and of Nothing is accordingly the unity of the two: and this is Becoming.

The flaw in this scheme is readily apparent, however, for all the concepts in Hegel's array are equivalent to one another: Hegel's array only gives the appearance of distinction. Thus, he fails to

solve the problem of logic. Heidegger's writings, however, suggest a solution to this problem:

Nothing . . . does not attract: its nature is to repel. This "repelling from itself" is essentially an "expelling into"; a conscious gradual expulsion into the vanishing what-is-in-totality. And this total expulsion into the vanishing what-is-in-totality . . . is the essence Nothing: nihilation. Nihilation is neither an annihilation of what-is, nor does it spring from negation. . . . Nothing "nihilates" itself.

Nihilation is not a fortuitous event; but, understood as the expulsion into the vanishing what-is-in-totality, it reveals the latter in all its till now undisclosed strangeness as the pure "Other" —contrasted with Nothing. . . . Nothing is neither an object nor anything that "is" at all. Nothing occurs neither by itself nor "apart from" what-is, as a sort of adjunct. . . . Nothing not merely provides the conceptual opposite of what-is but is also an original part of Being. It is in the Being of what-is that the nihilation of Nothing occurs. . . .

"Pure Being and pure Nothing are thus one and the same." This proposition of Hegel's is correct.

In [Being] is hidden the essential source of nihilation. What nihilates, is manifest as nothing-like. . . . Nihilation is essentially in Being itself. . . . The nihilating in Being is the essence of . . . the Nothing.

Without the original manifest character of Nothing there is no . . . freedom.

These passages suggest that Nothing, whose essence is negation, expels beings from itself by negating itself. The solution to the problem of logic can be encapsulated in the following logical array:

Nothing = Being

beings

living - nonliving

etc.

This array avoids Plato's difficulty, for Nothing is the first concept in the array; so no concept is utilized before it appears, and Hegel's difficulty is avoided by Plato's array itself, for it presents real rather than apparent distinctions. Although beings always are, the Nothing which is not a being never is, for Nothing as pure Being is pure abstraction.

Heidegger, of course, denies that "Being" signifies an abstraction, and what he means is right in a sense. Yet, in another sense, etymological studies (perhaps more objective than his) seem to rebut him. Of the three proto-Indoeuropean roots (es, bheu, wes) from which the concept of Being is formed, etymological studies indicate that "wes" was the only perfect one, "es" and "bheu" having been defective. Since "wes" meant to dwell, in proto-Indoeuropean one could say I dwell, I dwelled, I will dwell, etc. However, "es" seems to have possessed only the present tenses in the indicative and subjunctive moods; consequently, in proto-Indoeuropean one could say only I am, I sie, etc. (where the Old English sie is used as a stand-in for the original subjunctive form),

and studies seem to indicate that when one used these expressions, he meant something like I am here, since the original meaning of "es" seems to have been something like to occupy a specific place. Since the verb "es" had no past tenses, the use of the past tenses of "wes" to convey meanings like I was here is not difficult to understand, for having been here is merely a slight abstraction of having dwelled here. Similarly, the root "bheu" seems to have lacked any past tenses, and if the history of the process of the abstraction of this root goes from to be born to to come to be to to become, to see how the future tenses of this root could have come to stand for the absent future tenses of "es" is easy. Subsequently, the obsolescence of the infinitive, participial, imperative, and present subjunctive forms of "am-was" (the verb formed by the amalgamation of "es" and "wes") and their replacement by the respective forms of "bheu" account for the forms of the present defective verb "am-was-be."

These facts indicate that any concrete meaning that is to be associated with the word "Being" is to be found in the concepts of occupying a place, being born, and dwelling. "Being," however, never signified an original concept and never denoted anything concrete; "Being" always has denoted an abstraction. I would like to suggest that this fact is revealing.

A mere glance at the concrete meanings of "Being" reveals that Being has two characteristics of lesser abstraction: coming and staying. Being born is a concrete form of coming to be which is itself a form of coming; and occupying a place and dwelling are forms of staying. However, numerous other concrete forms of coming and staying are known. For instance, if we consider Being metaphorically as either a stuff or a place out of which beings come, to list words which denote ways by which beings can come

out of Being (i.e., come to be) is easy. A being can be born, of course, but it can also merely issue (go out from), exist (step out from), extrude (be pushed out from), emerge (float out from), excresce (grow out from), exude (be sweated out from), be produced (lead out from), be exported (carried out from), be extirpated (pulled or rooted out from), be exhausted (drawn or drained out from), be exposed (put out from), or be exploded (beaten out from). Likewise, a being may stay (stand upon); thus continue (hold together) and persist (be throughout); merely remain (stay back), or live; thus tarry (fatigue), lag, linger (be long in moving), abide (wait for), and endure. These ways of becoming and staying respectively and collectively define the concrete intensions of coming and staying, which in turn constitute the concrete meaning of "Being." The concept of Being has always been abstract because beings come to be and stay in numerous concrete ways which no single concept can denote concretely.

This concept, which can be labeled pure Being or pure Nothing indiscriminately, is in a sense self-contradictory and thus unable to be the conceptual analogue of any being, To be is to come and to stay, and coming and staying cancel each other. Metaphorically, then, in order to be a being, Being must resolve this contradiction by negating its own self-contradictory nature. Since, according to Heidegger, the nature of Nothing is to repel from itself, in negating itself, Being expresses from itself beings which have temporarily consistent ways of becoming and staying. So it would appear that Heidegger's suggestion of a solution to the problem of logic also hints at a solution to the problem of Being. Yet Being remains mysterious. Why? Because the beings of this world are free, for Being, having no characteristics other than coming and staying, can impose no other characteristics on the beings it expresses from itself. Beings,



being free, do not issue from Being in accordance with any law of issuance, do not develop in any predetermined way. The to-be can never be known in advance; so the preceding conceptual array does not signify a temporal process. The to-be is novel and thus cannot be foretold. The mysteriousness of Being is insured; but although Being truly precedes essence, this precedence does not mean that a stone of granite can be an elm, that a birch can be a hare, that a hare can be a man, nor that a man can be an elephant or whatever else he may desire to become. This precedence means merely that whatever does issue from this stone of granite or birch or hare or man is not predetermined by the character of Being, for Being, being an abstraction, has no determinative character.

The metaphysical attempt to solve the problem of Being by reducing it to a problem of logic results then in an indication that the problem of Being can never be solved metaphysically. So, Heidegger can write that "future thought is no longer philosophy, because it thinks more originally than metaphysics."<sup>8</sup> To be a future-thinker, then, a man must turn away from the question of Being qua Being and turn his attention to that essence of Being in which he has a hand, viz., the to-be. Man can have a hand in the making of reality, since Being can impose no characteristics other than coming and staying on beings. Man's mission is to be liberal, to seek novelty in change, and, as Kant understood, to attempt to realize the yearnings of that moral law within him, for "freedom is nothing but a chance to be better."

## USA-CHRISTIAN OR NOT?

*The claim that the USA is a Christian nation and was founded as such is often expressed as though it were an obvious truth. But is it?*

The founding fathers were Christian.

Yes, many of the European colonists who settled here were Christians, with different sects founding different colonies. Puritans in New England, Quakers in Pennsylvania, Catholics in Maryland, and Christians from these and the other colonies founded the nation. But to claim that this nation is Christian because it was founded by Christians is an example of the genetic fallacy. For instance, if a group of Hindus pooled their resources and founded a country club without restricting its membership to fellow Hindus, the club would not be a Hindu club.

The founders of this nation did not restrict citizenship to Christians.

Did the founding fathers intend to found a Christian nation?

No! Lets look at the evidence.

The Constitutional Convention convened in May, 1787 and lasted until September 17th of that year. Thirty nine delegates to the convention signed the draft. It was ratified on June 21, 1788 when New Hampshire became the ninth colony to ratify it.

A mere eight years later, in 1796, a Treaty of Peace and Friendship between the United States of America and the Bey and subjects of Tripoli of Barbary was negotiated and submitted to the U.S. Senate for ratification. The senate ratified it on June 10, 1797.

This treaty contains the following article:

"ARTICLE 11.

As the government of the United States of America is not in any sense founded on the Christian Religion, as it has in itself no character of enmity against the laws, religion or tranquility of

Musselmen, and as the said States never have entered into any war or act of hostility against any Mehomitan nation, it is declared by the parties that no pretext arising from religious opinions shall ever produce an interruption of the harmony existing between the two countries."

It cannot be argued that the members of the Senate at the time were unfamiliar with the viewpoints and arguments that led to the Constitution's writing and adoption. Being persons politically inclined enough to run for office, they surely kept abreast of the political thinking of the time. But, as a matter of fact, three members of the Senate that ratified the treaty were also delegates to the Constitutional Convention: William Blount (NC & TN), John Langdon (NH), and Alexander Martin (NC). It can hardly be argued that they didn't know what they were talking about.

## VOLUNTARISM A WAY TO ASK CANDIDATES TO DISPLAY ABILITIES

Toward the end of our recent primary campaign, I found in my mail an envelope from Common Cause stuffed full of petitions urging campaign reform. After having read ad after ad in which candidates ran on the backs of their wives and children, churches, business and professional associations, but never on an issue of substance, I smirked as I trashed the envelope.

No doubt, campaign reform is a desperate necessity. But the big lobbies are stomping around so heavily in the muck of campaign financing that their eyes are too roiled for them to see the real problem.

Campaign financing can only be reformed by politicians, yet they know more desperately than most of us how important campaign financing has become. They need it; they depend upon it—they cannot reform what they have become so needy of and dependent upon. Then, too, there are the constitutional issues involved in attempts at such reform that may be insurmountable without endangering our other liberties as well.

But has anyone seriously asked why campaign financing has grown so important? Could it be that such vast amounts of money are necessary because too many candidates have nothing substantial to run on and therefore can only attempt to outdo one another in inundating us with irrelevant nonsense that provides them with their one hope of success—name—recognition? If so, the problem the reformers are concerned with perhaps can be solved without the help of politicians.

The United States has a great tradition of voluntarism. Why can't we put this tradition to work once more?

Why can't some non-partisan institution, such as the Educational Testing Service in Princeton, N.J., prepare every other year a series of examinations that test at least the following knowledge: 1) complicated critical reasoning; 2) the philosophical foundations of our and other political and economic systems; and 3) the historical bases or the pressing social problems of the moment?

Why can't we then induce another non-partisan group, such as the League of Women Voters, to administer these examinations and encourage candidates from the lowest to the highest offices to take them voluntarily with the provision that if they do, they agree to publish the results in all of their campaign literature, even if that literature merely pictures their families?

Of course, this effort still might not result in any serious debates of the issues, but the public would at least know which candidates knew something about them and which had the ability to critically evaluate the pressures put on officeholders by the special interest lobbies. Such a simple voluntary effort also might discourage office seekers motivated more by ambition than ability and encourage others with more ability to seek office.

The realization of this idea requires no legislation and little expense and poses no threat – except that of comparison – to those who are afraid to reform the current system. And if any office seeker should ask why he should be expected to demonstrate some ability in advance of his election, we can ask him why legislators require so many other professions to demonstrate theirs.

## WHOSE COUNTRY IS IT ANYWAY? A POLITICAL- ECONOMIC OLIGARCHY HAS TAKEN OVER THE UNITED STATES OF AMERICA

A political-economic oligarchy has taken over the United States of America. This oligarchy has institutionalized a body of law that protects businesses at the expense of not only the common people but the nation itself.

CNN interviewed a person recently who was seriously burned when his vehicle burst into flames because a plastic brake-fluid reservoir ruptured. Having sued Chrysler, he was now concerned that its bankruptcy filing would enable Chrysler to avoid paying any damages. A CNN legal expert called this highly likely, since the main goal of reorganization in bankruptcy is preserving the company's viability and that those creditors who could contribute most to attaining that goal would be compensated first while those involved in civil suits against the company would be placed lowest on the creditor list since compensating them would lessen the chances of the company's surviving. This rationale clearly implies that the preservation of companies is more important than the preservation of people. Of course, similar cases have been reported before. The claims of workers for unpaid wages have often been dismissed as have their contracts for benefits.

But there is an essential difference between a business that lends money or delivers products or services to another company and the employees who work for it. Business is an activity that supposedly involves risk. Employment is not. Neither is unknowingly buying a defective product. Workers and consumers do not extend credit to the companies they work for or buy products from. They are not in any normal sense of the word

“creditors.” Yet that distinction is erased in bankruptcy proceedings which preserve companies at the public’s expense.

Of course, bankruptcy is not the only American practice that makes use of this principle. The current bailout policies of both the Federal Reserve and the Treasury make use of it. Again companies are being saved at the expense of the American people. America’s civil courts are notorious for favoring corporate defendants when sued by injured plaintiffs. Corporate profiteering is not only tolerated, it is often encouraged. The sordid records of both Halliburton and KBR are proof enough. Neither has suffered any serious consequences for their abysmal activities in Iraq while supplying services to the troops deployed there. Even worse, these companies continue to get additional contracts from the Department of State. “A former Army chaplain who later worked for Halliburton’s KBR unit . . . told Congress . . . ‘KBR came first, the soldiers came second.’” Again, it’s companies first, people last. But Major General Smedley Butler made this point in 1935. And everyone is familiar with the influence corporate America has over the Congress through campaign contributions and lobbying. For instance, “the U.S. Chamber of Commerce has earmarked \$20 million over two years to kill [card check].” Companies expect returns on their money, and preventing workers from unionizing offers huge returns. And on Thursday June 4, 2009 USA Today reported that, “Republicans strongly oppose a government run [healthcare] plan saying it would put private companies insuring millions of Americans out of business. ‘A government run plan would set artificially low prices that private insurers would have no way of competing with,’ Senate Minority Leader Mitch McConnell, R-Ky, said . . . .” (Kentucky ranks fifth highest in the number of people

with incomes below poverty. Why is he worried about the survival of insurers?)

The profound question is how can any of it be justified?

President Calvin Coolidge did say that the business of America is business and the American political class seems to have adopted this view, but the Constitution cannot be used to justify it. The word “business” in the sense of “commercial firm” occurs nowhere in it. Nowhere does the Constitution direct the government to even promote commerce or even defend private property. The Constitution is clear. It was established to promote just six goals: (1) form a more perfect union, (2) establish justice, (3) insure domestic tranquility, (4) provide for the common defense, (5) promote the general welfare, and (6) secure the blessings of liberty to ourselves and our posterity. Of course, the Constitution does not prohibit the government from promoting commerce or defending private property, but what happens when doing so conflicts with one or more of its six purposes? Shouldn’t any law that does that be unconstitutional? For instance, wouldn’t it be difficult to claim that a bankruptcy procedure that protects business and subordinates or dismisses the claims of workers and injured plaintiffs establishes justice? How can spending trillions of dollars to save financial institutions and other businesses whose very own actions brought down the global economy be construed as establishing justice or even promoting the general welfare when people are losing their incomes, their pensions, their health care, and even their homes? These actions clearly conflict with the Constitution’s stated goals. Shouldn’t they have been declared unconstitutional? Although the Constitution does provide people with the right to petition the government for a redress of grievances, it does not clearly



provide that right to organizations or corporations and it certainly does not provide to anyone the right to petition the government for special advantages. Yet that is what the Congress, even after its members swear to support and defend the Constitution of the United States, allows special interest groups to do. Where in the Constitution is there a justification for putting the people last?

How this situation could have arisen is a puzzle? Haven't our elected officials, our justices, our legal scholars, our professors of Constitutional Law, or even our political scientists read the Constitution? Have they merely misunderstood it? Or have they simply chosen to disregard the preamble as though it had no bearing on its subsequent articles? Why have no astute lawyers brought actions on behalf of the people? Why indeed?

The answer is that a political-economic oligarchy has taken over the nation. This oligarchy has institutionalized a body of law that protects businesses at the expense of not only the common people but the nation itself. Businessmen have no loyalties. The Bank of International Settlements insures it, since it is not accountable to any national government. (See my piece, *A Banker's Economy*) Thomas Jefferson knew it when he wrote, "Merchants have no country. The mere spot they stand on does not constitute so strong an attachment as that from which they draw their gain." Mayer Amschel Rothschild knew it when he said, "Give me control of a nation's money and I care not who makes the laws." William Henry Vanderbilt knew it when he said, "The public be damned." Businesses know it when they use every possible ruse to avoid paying taxes, they know it when they offshore jobs and production, they know it when they engage in war profiteering, and they know it when they take no sides in wars, caring not an iota who emerges victorious. IBM, GM, Ford, Alcoa, Du Pont,

Standard Oil, Chase Bank, J.P. Morgan, National City Bank, Guaranty, Bankers Trust, and American Express all knew it when they did business as usual with Germany during World War II. Prescott Bush knew it when he aided and abetted the financial backers of Adolf Hitler.

Yet somehow or other the people in our government, including the judiciary, do not seem to know it, and they have allowed and even abetted businesses that have no allegiance to any country to subvert the Constitution. Unfortunately, the Constitution does not define such action as treason.

America's youthful students are regularly taught Lincoln's Gettysburg Address and are familiar with its peroration, "we here highly resolve that these dead shall not have died in vain – that this nation, under God, shall have a new birth of freedom – and that government: of the people, by the people, for the people, shall not perish from the earth." If that nation ever existed, it no longer does. And when Benjamin Franklin was asked, "Well, Doctor, what have we got – a Republic or a Monarchy?" he answered, "A Republic, if you can keep it." We haven't. What we have ended up with is merely an Unpublic, an economic oligarchy that cares naught for either the nation or the public.

To argue that the United States of America is a failed state is not difficult. A nation that has the highest documented prison population in the world can hardly be described as domestically tranquil. A nation whose top one percent of the people have 46 percent of the wealth cannot by any stretch of the imagination be said to be enjoying general welfare ("generally true" means true for the most part with a few exceptions). A nation that spends as much on defense as the rest of the world combined and cannot

control its borders, could not avert the attack on the World Trade Center, and can not win its recent major wars can not be described as providing for its common defense. How perfect the union is or whether justice usually prevails are matters of debate, and what blessings of liberty Americans enjoy that peoples in other advanced countries are denied is never stated. A nation that cannot fulfill its Constitution's stated goals surely is a failed one. How else could failure be defined? By allowing people with no fastidious loyalty to the nation or its people to control it, by allowing them to disregard entirely the Constitution's preamble, the nation could not avoid this failure. The prevailing economic system requires it.

Woody Guthrie sang, "This Land Is My Land, This Land Is Your Land," but it isn't. It was stolen a long time ago. Although it may have been "made for you and me," people with absolutely no loyalty to this land now own it. It needs to be taken, not bought, back! America needs a new birth of freedom, it needs a government for the people, it needs a government that puts people first, but it won't get one unless Americans come to realize just how immoral and vicious our economic system is.

## YEARNING FOR THE PAST: IS HUMAN SOCIETY REGRESSING?

*“Yesterday, all my troubles seemed so far away  
Now it looks as though they’re here to stay  
Oh, I believe in yesterday” – The Beatles 1965*

In the 1970s, I had a staunch conservative colleague, a political science professor, who was the only professor I ever met who openly used his classroom as a bully pulpit for his political views. Once, in a seminar he and I participated in, I asked him to tell the audience what conservatives conserve since they obviously are not conservationists. He was caught off guard by the question but eventually stated two platitudes: our values and our way of life. I tried to show him that both were meaningless expressions. To be meaningful, the pronoun “our” needs a specific antecedent. Without one, it could refer to any group –the wise or the stupid, the good or the bad, the ugly or the beautiful. Likewise the phrase “way of life” and the word “values” also must have some specific content to be meaningful. Some people value fairness and honesty, others cheating and lying. Some ways of life involve robbery and assault and others, serving people. Sentences that lack specific content are rarely meaningful. But I doubt that I convinced my colleague. Someone who doesn’t want his mind changed is difficult to convince! So have some fun and ask your favorite conservative what conservatives conserve and judge her/his reply. Does it make any sense? is the question.

Yet, the word “conservative” has always had a specific and precise meaning. It was coined by François-René de Chateaubriand in 1818. He used the word as the title of a magazine whose object was to restore the Bourbon monarchy by

undoing the policies instituted during the French Revolution. Chateaubriand and others sought to return France to the time of the Ancien Régime (old order). Since that time, conservatives have tried to preserve the status quo or, better still, to return to “the way things were” at sometime in the past. In different times and at different places, of course, there are different old orders, so there is no single group of ideas that are conservative. Conservatives from different parts of the world often disagree among themselves. But the unifying attitude is always a yearning for the past.

In Europe in the nineteenth century, the yearning was for a return to the time before the French Revolution, before 1789. In America, some conservatives yearn for a return to the 1920s, others the 1850s, and still others to the 1600s. In Germany, some still yearn for a return to the 1930s. In Israel, some yearn for a time before the Christian era. And in the Arab world, some yearn for a time before the death of Muhammad. These yearnings are deeply felt. So the question is, Is human society regressing?

Look at the evidence. In America, the rights of wage-earners to organize and collectively bargain has been largely eliminated. The Supreme Court has torn the heart out of the Voting Rights Act and governors throughout the nation have begun to limit the right to vote of many citizens. The elimination of regulations used to promote the fairness of business is constantly sought. And racism has become rife. In Europe anti-Semitism is again becoming common. Israel, whose founders were staunchly progressive socialists, has now become a banal reactionary state. The voices of reaction are loud and heard everywhere while the voices of progress are hardly heard at all. Active progressive movements exist nowhere. The voices of progress have fallen

silent. Conservatives everywhere are measuring progress by walking backwards!

Conflict within and between societies was once manifested as conflict between reactionaries and progressives. But today things are different. Reactionaries and progressives engage in mere skirmishes while the real conflict is taking place between two large conservative societies—the Western and the Arabian. Skirmishes can often be resolved by compromise, but conflict between two diametrically opposed cultures can not. What can either side give up that would mollify the other? Their forms of government? Their economic practices? Their cultural values? I suspect not! America promises to “degrade and destroy” ISIL. There is no space for compromise.

But Islamic conservatism is not comprised of a group of individuals. It does not consist of an organization. It is an ideology. It cannot be shot with a gun. It cannot be stabbed with a knife. It cannot be poisoned. It cannot be blown to bits with a missile. As any American should know, just as the ideology of racism has not been annihilated after numerous generations, the ideology that holds ISIL together cannot be destroyed either. The killing of people who hold that ideology will have no effect on its existence. It has already become a Lernean Hydra. Each lopped off head grows two more.

On September 11, 2001, the United States set out to punish those responsible for crashing airliners into the World Trade Center and the Pentagon even though the perpetrators died in the crashes. America would extract its “pound of flesh” along with millions of gallons of blood. Although ostensibly done to protect Americans, some of the flesh and blood extracted was and continues to be

American. But no one can convincingly argue that Americans are safer today than they were on September 10th. Butchering the flesh and spilling the blood has achieved nothing. Now the American government wants more. But the degree of safety Americans enjoy is inversely related to the number of jihadists killed. The more killed, the less safe Americans are.

There are 1.6 billion Muslims in the world. How many Americans will die trying to kill even one percent of them? Even if one percent is killed, how many of the others will become jihadists? How many years of killing will this take? The human race can very easily annihilate itself in this mad attempt to “degrade and destroy.”

That human society is regressing is obvious if the proliferation of cyberware being developed is discounted. Cyber trinkets will not solve human problems. So the question to be answered is not is human society in regress but how far back it will go – the 1920s, the eighteenth century, the Middle Ages, the seventh century, or perhaps the Stone Age. What will the denouement of the human race be?

## YOU'RE RIGHT, MR. ARMEY, YOU STINK

*Finally, a GOP mea culpa? Don't believe it.*

The Dallas Morning News yesterday published an extensive piece written by former Congressman Dick ArmeY titled, We Stink . His claim is simple and has a tincture of plausibility, but it;s nothing more than the same old political disingenuousness.

He writes, "How did we go from the big ideas and vision of 1994 to the cheap political point-scoring on meaningless wedge issues of today. . . ? The answer is simple: Republican lawmakers forgot the partys principles, became enamored with power and position, and began putting politics over policy."

Although all of this may be true, it is by no means the whole story. There is no mention in the article of the wars in Afghanistan and Iraq and the lies that led us into them, there is no mention of Mr. Abramoff and his sleazy congressional co-conspirators such as Congressmen Cunningham and Nye, there is no mention of any of the sleaze that has been an attribute of most GOP administrations going back at least to the Presidency of General Grant. There is no mention of Garfield's bribery and complicity in the Crdit Mobiler scandal, there is no mention of McKinley's unjustified Spanish American war (the Spanish didnt blow up the Main), there is no mention of Harding's Teapot Dome and the scandals in the Justice and Veteran's departments, there is no mention of Hoover's inability to deal with the start of the Great Depression, of the vicuna coat that tarnished the Eisenhower administration, of Mr. Nixon's Watergate affair and his infamously corrupt vice president, Spiro Agnew, nor is there any mention of the Iran-Contra scandal of the administration of that GOP's deified B-movie actor, Ronald Reagan. There is no mention of the present Congress' unwillingness to do anything



about any of this unethical behavior especially after the initial explosion caused by the Abramoff revelations died down. There is no mention of the GOP's unwillingness to even have the corrupt way billions of American dollars have been doled out in Inaq exposed

Mr. Armev touts his and Newt Gingrich leadership, but fails to mention that Mr. Gingrich, too, had to leave the Congress under a dark cloud and that he, himself, instead of coming back to Texas to earn an honest living after leaving the Congress, joined the ranks of the Great Corruptors, the money changers, the lobbyists of Washington.

Since Lincoln's election in 1860 there have been fifteen GOP administrations; nine have been blackened by major scandals.

So, yes, Mr. Armev, you stink, you really stink.

## **III. HEALTHCARE & EDUCATION**

## AFICIONADOS OF OSTENTATION

I doubt that many people follow fine-art auctions, but major sales frequently are reported in the mainstream press. For instance, a Rembrandt painting sold for a record \$33.2 million. The Massacre of the Innocents by Peter Paul Rubens sold for \$77 million. Anthony van Dyck's last self portrait sold for \$13.5 million. Even one of Adolph Hitler's water colors sold recently for \$13,500. Needless to say, none of this money went to the artists or their progenies or even to supporting fledgling artists. So I ask, are the people who pay these enormous prices for the works of long dead artists really art lovers? Do they buy art because they truly love it or because they want to boast, "Look what I have!"

There was a time when wealth supported artists. That practice died out sometime after the sixteenth century. What goes on today borders on the absurd.

Although I use Dallas, TX as an example, what is going on in Dallas is going on in many other places. Fine-arts performance groups everywhere are living on the edge of disappearance.

Dallas is in the process of completing a \$392 million addition to its Arts District by adding "world class" theater, opera, and ballet venues. The Arts District is comprised of 13 facilities including  
the AT&T Performing Arts Center  
the Annette Strauss Artist Square  
the Dee and Charles Wyly Theatre  
the Margot and Bill Winspear Opera House  
the The Trammell & Margaret Crow Collection of Asian Art  
the Morton H. Meyerson Symphony Center and  
the Nasher Sculpture Center

Each of these, obviously, is named after some benefactor, and the facilities are magnificent. But the Dallas Morning News reports that

"Those who attended last Friday's opening-night performance of The Nutcracker at the Winspear Opera House could not help but notice that the music was canned, not live."

"By the end of the five year agreement the base musician pay will be \$743 less than it is today."

"To reduce expenses in the 2008-2009 Season, contracts for Texas Ballet Theater dancers were cut from 38 to 35 weeks."

So there it is again, magnificent venues named after their benefactors while the artists themselves are neglected. This is not love of art for art's sake; it's merely benefactor aggrandizement. It's look what I can afford to build or buy. Not a single one of the benefactors listed has ever engaged in artistic creation or supported an artist.

But Dallas' goal was never to promote the arts. The goal has always been to "legitimize Dallas' claim as a city of the arts, revive its slumbering downtown, and create a grand civic place where everyone would feel welcome even without a ticket." But except for occasional special events, the goal is a fantasy. One fundraiser, Deedie Rose , has said, "When we built the art museum, the supporters were mostly visual arts people. With the Meyerson, it was mostly symphony people. This time we had million-dollar donations from people who had never been big arts supporters [emphasis mine] but who believed that the project was important for the city." The entire project is nothing but fluff to promote business.

But can it work in Texas or anywhere else? Texas in particular and the United States in general are not cultured places. Pop music and football are their major attractions. Will true art lovers flock to these performances? How far can a true lover of ballet be expected to go to watch a performance danced to recorded music? Will first class musicians go to Dallas or anywhere else to perform for pay that's a pittance? Will mediocre performances

attract patrons just because they are performed in astounding buildings? I don't know, but I'm dubious.

Art for the sake of business is a long way from being art for art's sake. The people who attend these performances will not care the least about who the benefactors were even if their names are emblazoned on the buildings or leave remembering them. They will remember the performances, good or bad, not the architectural glitz. Architecture is only one part of the task, and it is the easiest part to build, just as buying the paintings of old masters is easier than painting them.

## AMERICAN MADRASSAS

Great progress in human learning has come in fits and spurts. Most educated Americans are familiar with the Greco Golden Age (400-300 BC), the Italian Renaissance (AD 1500-1700), the Age of Reason (AD 1800), and the Age of Enlightenment (AD 1900), but few are familiar with the Arabic Golden Age (AD First Century to 1000); yet civilization owes much to Arab learning.

Although Greek learning was valued and preserved by the Romans, the Romans were themselves not greatly interested in intellectual pursuits. Roman society was militaristic, and the interest of Romans was conquest. When the Roman Empire collapsed, religious ideology enveloped Christian Europe and lasted to the seventeenth century. As the Dark Ages settled over Europe, what learning that was done was done in monasteries where surviving manuscripts and books were preserved and made available mostly to monks and prominent scholars. Europe was almost illiterate and Charlemagne could hardly write his name.

But during this time great intellectual endeavors were taking place in the Arab world. The learning which had originated in Egypt, Babylonia, Phoenicia and had been assimilated and vastly augmented by the Greeks had spread to the Arab world. Translations of ancient texts into Arabic from Greek and Syriac was vigorously pursued.

Just one of Islam's intellectual legacies was the preservation of Greek philosophy, mathematics, and science. The Arabs advanced the fields of mathematics, medicine, and physics. They developed trigonometry and defined sine, cosine, and cotangent functions. They further developed algebra. The world's first university, Al-Azhar, was founded in 969 AD in Cairo. Its founding preceded the founding of European universities by two

centuries and become the model for several early European universities. By the 1100s, translations of Arabic texts made their way from Muslim Spain into these European universities. These Arab texts stimulated the growth of Western science, and we should never lose sight of the fact that our own science today rests squarely on the accomplishments of Muslim science.

De-urbanization after the collapse of the Roman Empire reduced the scope of education and by the sixth century, teaching and learning moved to monastic and cathedral schools which emphasized the study of the Bible. The leading scholars of the time were clergyman. The study of nature was pursued more for practical rather than intellectual reasons. Not much intellectual progress occurred in the early Middle Ages. Although the religious domination of learning did not suppress learning entirely, it, along with the conditions of the time, surely retarded it immensely. So although historians often take exception, there is no question that an association exists between the decline of learning during the Christian Dark Ages and the era's theological domination.

But Arab learning also began to decline after 1000 AD. Arab civilization became afflicted by problems of internal decay that triggered two waves of invasions which were such a shock to the Arabs that Muslim culture became much more resistant to new ideas and foreign influences, making it more conservative and inward looking. This resulted in a religious reaction against putting too much emphasis on science and reason and too little emphasis on faith. Arab science and learning were always largely supported by religious institutions and subject to their conservative influences and with the arrival of Sufism, which discredited learning and reason, Arab learning began to decline. So the decline of Arab learning is also associated with a cultural domination by a religious ideology.

The Arabic word for any type of school, secular or religious, is *madrasah*, *madarasaa*, *medresa*, *madrassa*, *madraza*, and *madarsa*, and three kinds of *madrassa* are distinguishable: *Madrassa Islamia* (Islamic school), *Madrassa deeneya* (religious school), and *Madrassa khasa* (private school). A typical *madrassa* offers two courses of study: a *hifz* course, which consists of the memorization of the Koran and an 'alim course whose graduates become accepted scholars. But for the purposes of this essay, the only relevant kind of *madrassa* is the *Madrassa deeneya* which offers only a *hifz* course.

Americans are familiar with *madrassas* of this kind; they exist in the form of Sunday schools which are nothing but Christian *madrassas*. But Sunday schools have not had an ostensible influence on American learning and culture. Typically our schools, colleges, and universities have been free of religious ideological influences even though some of the most prestigious ones were founded to train people for the clergy, and various denominations have founded sectarian schools. Hidden influences, however, date back to Colonial times and have resulted in a large amount of anti-intellectualism in America. (See *Anti-Intellectualism in American Life*, Richard Hofstadter .) This influence, however, has been increasing. If I have not miscounted, at present there are about 150 fundamentalist colleges in America. Calls for the posting of the Decalogue, the teaching of Creationism, and the Bible in our public schools are continual. And recently the Texas Education Board has authorized the teaching of the Bible as an elective in all public schools. All of these attempts appear to be an unacknowledged admission of the failure of America's churches and their Sunday schools, for if these had been successful, the introduction of these religious elements into the public schools would be unnecessary. Given this failure of the churches, the religious proponents of these



efforts are now trying to get the government to do what the churches have not been able to.

But a deeper question exists. If, as the beginning portions of this essay suggest, the religious domination of a culture is associated with a decline in learning, do these efforts portend a further decline in American education? I suggest that the answer is yes.

The problem with ideological domination of education is this: True believers in any ideology, religious or not, lose their curiosity and their inclination to question, but both of these are essential to the development of knowledge. After all, if someone already knows THE TRUTH, there is no reason to foray into the unknown. In effect, learning ceases and the culture decays. A new dark age emerges.

But religious domination of learning is not the only kind of ideological domination of it. Some departments within well-established secular institutions engage in it too, and the result is the same. This kind of non religious ideological domination is also prevalent in many American universities. It exists in schools and departments of education where one teaching method is taught as orthodox. This orthodoxy has led to teachers who "know how to teach" without knowing any subjects. It exists in schools of business where the orthodoxy that corporations only owe their allegiance to stockholders holds sway and has resulted in the progressive impoverishment of workers and consumers. And, perhaps, more important of all, it exists in economics departments that have adopted classical/ neo-classical orthodoxy. The students and professors in these schools and departments are never challenged to question the orthodoxies. The result is that learning never improves, business practices never improve, and the economy continues to stumble from one crisis to another, destroying gigantic amounts of wealth, and causing incalculable suffering and deprivation. Studies by Robert A. Burton suggest

that we cant afford to continue with the outdated claims of a perfectly rational unconscious or knowing when we can trust gut feelings, but people who hold orthodoxies continue to hold outdated claims and trust their gut feelings. If this tendency continues to spread, no amount of energy will enlighten the coming dark age.

## BALDERDASHING EDUCATION BASHING

When Calvin Coolidge said "The business of America is business," he and very few if any others knew just how deep this sentiment would sink into the American consciousness. Now it seems apparent that the way business thinks has muscled every other kind of thought process out of the American mind. The unfortunate result is that if no business solution exists to an American ailment, it festers into an incurable American disease.

Two kinds of thinking dominate the business mind. One comes from the paradigm of manufacturing; the other from the paradigm of marketing. Both have been used as the basis of education bashing.

If looked at in terms of the manufacturing paradigm, education is likened to the assembly of parts into a product. And the paradigm decrees that if the worker assembles the parts correctly, a good product is produced. If the product produced turns out not to be good, the conclusion drawn is that the worker did not assemble the parts correctly.

The paradigm, of course, is very problematical. It overlooks questions of design and materials among other things. Nevertheless, the paradigm is pervasive. And it is the foundation of some education bashing.

The educated student is likened to a product, subject matter is likened to its parts, and the teacher is likened to the worker. When the student turns out to be uneducated, the conclusion is that the fault lies with either the subject matter or the teacher. So we are subjected to interminable curriculum debates, reform, and teacher bashing.

If looked at in terms of the marketing paradigm, education is likened to selling. The idea is that if teachers packaged the material in attractive ways, the student would buy it.

This paradigm too is problematical. It overlooks the fact that just because a product is bought has no bearing on whether the buyer uses it at all or to its best advantage. Nevertheless the paradigm persists, and when it turns out that the student is unable to use the product or use it well, the conclusion drawn is that the way the product is packaged must be faulty, and since the teacher is the packager, the ultimate responsibility for the failure is, yes, the teacher's! So we debate teaching methods and tools. We hear things like, "Make learning fun," "Turn the classroom into a game room," "What we need is more toys in classrooms," the toy of fashion being the computer. And we bash the teacher again for not being an entertainer, forgetting that if teachers were entertainers, they wouldn't be in classrooms.

But education fits neither of these paradigms. The educated student is not a product assembled by teachers, and learning is not a game. Furthermore, both of these scenarios overlook things that should be blatantly obvious.

The first of these is that educated people have existed in all the eras of recorded history. People acquired educations long before the school and the classroom were invented, people acquired educations long before anyone even thought of things called teaching methods, so the methods, the schools, and the classrooms cannot be sufficient conditions for the education of students.

The second should be even more obvious. Almost every teacher teaches a group of students called a class simultaneously. Every student in the class is exposed to the same material presented in the same way. Some of these students learn a lot, most learn some, and some only a little. How can this be if the teacher and the material are at fault?

During my many years as a university professor, friends often asked for the names of good colleges to send their children to. My

answer always baffled them. Although there are various way of "rating" colleges, the number of professors with terminal degrees, the number who publish, the number of Nobel Prize recipients, the size of libraries, etc.. I know of none that measures the amount of learning acquired by graduating students. So I used to say "If your child is a good student, he or she can get a good education at any accredited college, and if your child is not a good student, he or she will not get a good education at any college."

The point is that, and it should be obvious, education has very little to do with the teacher or the teaching and almost everything to do with the student. Yes, of course, an exceptional teacher can produce exceptional results in some students. And yes, facilities, books, and equipment do have some bearing. But neither of these affect all students. Even exceptional teachers find it necessary to fail some students, and everyone who attends schools that have the best facilities and equipment doesn't graduate either.

So the real question ought to be how do we rear good students? The other questions are really irrelevant, for no matter how they are answered, unless we can find the answer to the first question, the result will be the same, the debate will go on, and teachers and teaching will continue to be bashed.

The ultimate truth is that a social institution can be no better than the society that supports it, and unfortunately American society is not and has never been intellectual. Intellect and scholarship have never been esteemed. Too many parents don't or can't read. Too many homes lack educational resources. Books, magazines, and journals, especially good ones, are lacking in too many homes. Television is pervasive and from the point of view of intellect, is almost universally bad. It deserves its nickname, "boobtube." Intellect and scholarship are not the "business of business" and therefore not the "business of America." And I might add neither is education.

What do children see when they notice what American society does esteem? Entertainment, sports, and marketing. Therein lies the fame, the honor, and the rewards of being an American.

So what do our children want to be? Actors, rock stars, football players, salespeople, and in some cases, simple criminals, and none of these requires great intellect or a broad education.

Until this cultural attachment changes, America will have a problem with its educational system. So unless you're more optimistic than I, the teachers of America should acclimate themselves to teacher bashing just as they have acclimated themselves to low pay and low esteem, for good students cannot be reared en masse in a culture with these ideals.

What makes comparisons of the American educational system to the educational systems of other countries so insidious is that this aspect of a supporting culture is always overlooked. Students in those countries learn more than American students merely because those cultures rear better students, not because of better teaching, better teaching methods, or better equipment. And as long as we continue to believe that teachers and teaching are to blame, our students will not only learn less, but as time goes on, learn less and less.

## BALLROOM DANCING - FINE ART OR SPORT

A thing is what it is and not another thing, and it doesn't become something else when its name is changed or it is described differently. This principle is absolute; it applies universally, even to ballroom dancing.

Yet there is a persistent confusion about just what ballroom dancing is. Is it a fine art? Is it a sport? It cannot be both, but it can be neither. The answer to this question is not to be found by searching dictionaries for definitions. It can only be found by closely examining the activity along with all of its ancillary doings and then comparing what is found to the doings of both fine arts and sports.

My own impression is that some have begun calling ballroom dancing a sport in the mistaken belief that it may then become as popular as sports. And I suppose the analogy they see is the common physical activity of both. One can slide easily from exercise to aerobic exercise to dance, but that is a trap even though some people may dance for exercise.

Physical activity is not the defining characteristic of anything, for almost everything we do involves it.

What then characterizes sport? For most sports, it is the scoring of points in a definitive way. One crosses the goal line in football, crosses the plate in baseball, sinks the ball in basketball, nets the puck in hockey, gets the ball on the ground in your opponent's part of the court in tennis, crosses the goal line first in a race. Of course there are a few exceptions, the most important of which are gymnastics, figure skating, and diving, although many people

are as unsure about the status of these as some are about ballroom dancing. These three 'sports' are different than the other sports mentioned and are similar in many ways to ballroom dancing. But to those who want to call ballroom dancing a sport in the hope that its popularity will be thereby increased, it must be pointed out that gymnastics, figure skating, and diving are not all that popular.

So what then characterizes fine art? Great art, of course, is characterized by genius and originality. It requires the mastery of techniques which great artists then manipulate to express their own personalities. Fine art is associated with the profession of criticism—music critics, art critics, drama critics, literary critics, and yes, dance critics. And although expert critics are not always the best judges of what is great art (they can be and often have been wrong), criticism is an integral part of the fine arts.

But have you ever heard of a sports critic? The idea is absurd. No one cares how a player crosses or reaches the finish line, no one cares how a player gets the ball through the hoop, but go to any dance competition where the adjudicators comment on performances and no matter how good you and your partner may look on the dance floor, you will be marked down for foot faults, insufficient shaping, carriage, inadequate upper body motion, and a host of other technicalities. Dancing is not a mere sport.

Another essential characteristic of a fine art is how the artist incorporates his or her personality in the performance. Art without personality is merely mechanical, a machine, and machines are not artists no matter how accurately they perform their techniques. Of course, it is important to dance with technical



accuracy, but to dance well, accuracy must be embellished by personality.

None of this is important in sports. There are no school figures in baseball, basketball, football, tennis, track, the shot put or even bowling, archery, or volleyball. There are none in aerobic dance either.

So is ballroom dancing a fine art or a sport? How you dance will determine the answer for you. To me it can be nothing but a fine art. The school figures and how they are performed are important to me. So is upper body motion in contrabody positions and shaping in an oversway or a corte'. So is dancing to suit my personality; I avoid specific figures because I believe they make a person with my personality look foolish; I perhaps overuse others because they fit well, and I suspect all great dancers do the same; they just do it better.

Teodoro Morca, the great flamenco dancer, has said all of this far better than I, and I would like to close this piece with a few quotations from his "Becoming the dance".

"Technique for technique's sake is just that. If a technique does not say something of you and does not help you become the dance, then forget it. I have seen many dancers do a set routine of steps that are using music as Muzak. They have steps that fit, they are moving around in dance but they do not 'say' anything, because they are dancing steps and not being sensitive to the nuance and expression of the song." (How many showcase dancers have you seen dance this way?) "Footwork should say something, it should say something about yourself; it should be musically, visually, and dramatically a reflection of your feelings.

Flamenco seems to require that the choreography be immediately adapted to the individual dancer. The dancer's interpretation and technique, feelings and emotions, should be considered from the outset. This can be said of any dance. Excitement does not come from copying what others have done choreographically. If the individual or personality is left out, it is then just mimicking steps."

To Mr. Morca, too, dancing is clearly a fine art.

Has the ordinary ballroom dancer anything to learn from this? I have, and I am no champion. I have learned that it is important to master the fundamentals, the school figures, the footwork, gestures, and bodywork that make dancing into more than just steps. But I have also learned that it is just as important to be myself and not some hurdy gurdy grinder's trained monkey.

## CORPULENT COUNTRY: OBESITY IN THE USA

Over the past three decades, obesity has been recognized as a public health problem in America. Yet despite much publicity, talk, and effort, a recent report claims that obesity rates jumped in 28 states. The CDC has reported that America is home to the most obese people in the world. On June 29, ABC's Nightline (or should I write "Nightlie'?) aired a piece on the problem during which one of its "investigative" reporters cited about a half-dozen "theories" that have been suggested by "experts" to explain the problem. Unfortunately, all were hocus, even though its cause is easy to discern. To find it, like finding the causes of most American social problems, one merely has to follow the money.

A long time ago, the processed food industry discovered that fat, salt, and sugar enhanced the flavor of their products, and flavorful products, as opposed to bland ones, are not only much easier to sell, they are addictive and cheap to make. The processed food industry swelled with bloat. The amount of money made is gigantic. No one cared whether people were being made unhealthy.

But why is nothing being done about it? The answer can be found by following the money. Physicians may tell patients that they need to lose weight, but doctors make money by treating obese patients. Writers and publishers of weight-control books peddling ineffective programs also make fortunes as does the health-food industry which peddles its own processed foods. Then there's the pharmaceutical industry peddling treatments for the many afflictions caused by obesity, the manufacturers of medical and exercise equipment, and fitness centers. If Americans were healthy, how much money would all of these people lose; how

many could stay in business? Healthy people are unprofitable, and profit, not health, is America's game. It matters not that even some retired generals consider the problem a threat to national security; national security itself is a profit generating enterprise. It also matters not that people's lives are impaired and destroyed.

Numerous irresolvable American problems are subject to similar analyses. Any astute reader can list many of them. But two are especially troublesome.

That America's infrastructure is on the verge of collapse is well known. Highways, bridges, water systems, the electrical grid, levees, mass transit, airports, schools, dams, water treatment plants, and waste disposal facilities are all in disrepair. Maintenance over decades has been lackluster. Some have suggested that more than a trillion dollars will be needed to upgrade these. But will it happen?

Consider what Katrina did to New Orleans. The storm itself did not cause the devastation; an unmaintained levee did. Why? Because far more money is to be made cleaning up the devastation and rebuilding afterward than in maintaining the infrastructure to prevent catastrophes. Even subsequent attempts to rebuild the levees of New Orleans have been judged to be insufficient. Why? Just add up the money to be made should New Orleans be devastated again. The money to be made in maintenance is scant compared to that made in cleanup and rebuilding. Do the lives of the people affected by these catastrophes matter? Not in the least.

And then there is war. War profiteering has been ubiquitous throughout history, and governments have done nothing to

restrain it. Wars are cash cows for those industries that make up the military-industrial complex; eliminating war makes the udders run dry. Americans increasingly distrust business, but the Pentagon apparently does not, since it now employs private contractors to perform many functions previously performed by the military itself even though there have been numerous reports of contractor misfeasance. Faulty wiring that has resulted in the electrocution of American troops, and bribes paid to the Taliban are well known. The Pentagon has given cost-plus contracts to the developers of advanced weaponry who build ever more destructive and expensive weapons. The assumption is made, apparently, that the firms involved in these activities want to build weapons and provide services that contribute to winning wars.

But why should that assumption be made? Every consumer knows from experience that companies over-hype their products. Some products don't work at all, many don't work as advertised, and others are designed to fail long before their times. Why would anyone assume that the companies selling weaponry and services to the Pentagon would act differently? When the Taliban is bribed, is it to allow the supplies to get to the troops or is it to ensure that the Taliban has the resources to continue the war? Continuing the war keeps the money flowing; ending the war stops the flow. And why is it that our expensive, advanced weaponry hasn't succeeded in turning the tide of battle? Is it because these weapons were designed to look promising but perform less effectively than promised? Military equipment suppliers, just as domestic ones, can manufacture products that perform just well enough to get sold but not well enough to make a difference. After all, every Humvee destroyed is another Humvee to be replaced. Every missile fired at an insignificant

target is another missile to be replaced. Every round fired from an automatic weapon that hits no target is a round that has to be replaced. It matters not that young Americans are dying and being dismembered. War is big business.

So yes, there is an obesity crisis in America, but it is not the one described in the first paragraph of this piece. The real crisis is the obesity of the fat-cats running the nation. Our now highly distrusted businesses and government are engaged in practices constrained by not one moral imperative. The government, even when promoting social programs, such as, for instance, extended unemployment benefits, always justifies them as economic, never as moral, undertakings. Our leaders can't say that something needs to be done because it is morally right and that those who oppose it are immoral to the marrow. Programs always have to have an "economic" benefit, because moral considerations have been completely expunged from this society?

Goldman Chief Executive Lloyd Blankfein (perhaps Blankfiend would be more accurate) claims he's "doing god's work." It is noteworthy that he didn't identify the god whose work he's doing. If any reader of this piece is still trying to identify the "mark of Cain," let me identify it for him/her: It is the dollar sign, and the uppercase S that forms its base stands for? Oh, you know the answer.

Jefferson recognized that merchants have no country; they also have no morals. Government appears to have allowed itself to be bribed into a similar moral insensitivity. Americans have now come to the recognition that the government cannot be counted on to ever "do the right thing." The gluttony of greed, a

combination of two of the seven deadly sins, the worst of all  
obesities, has become the controlling American value.

## **CORRUPTION IN AMERICAN INSTITUTIONS, HEALTHCARE, AND OUR SYSTEM OF HIGHER EDUCATION**

A culture of corruption exists in America that is both extensive and profoundly pervasive. It afflicts all of America's institutions and is responsible for both the low esteem in which those institutions are held by the American people and this nation's inability to solve its social and political problems. This culture is so entrenched that it considers itself invulnerable to criticism. When corruption is discovered and publicized, rarely is a mea culpa issued; the publication is usually ignored by the guilty who continue to act as though the discovery were never made. Oddly enough, the low esteem in which the institutions are held is rarely transferred to the individuals who manage those institutions; thus, although only 14 percent of the people approve of the Congress as a whole, the same individual Congressmen get elected over and over again and are still addressed and considered as honorable. While the members of a criminal institution are considered criminals, the members of corrupt public institutions are not generally considered to be corrupt even though an institution of any kind can only be corrupted by corrupting its individual members. That fact, perhaps, explains why corrupt public institutions endure and cannot be reformed, and perhaps the only way to reform such institutions is to begin calling the spades that comprise these institutions black.

There is one corrupt institution in America that has so far avoided this disapproval--America's institutions of higher education, especially their post graduate, their Ph.D. granting, departments. The corruption of these departments is subtle; it is exposed only by the actions of their graduates who are rarely linked to the institutions that granted their degrees. Many of these graduates



engage in careers that consist of publishing propaganda in the name of research, and even when their research is subjected to devastating critiques, these critiques are completely disregarded as though they never existed. Such disregard displays an almost total degree of intellectual dishonesty and a complete antipathy to truth, and academic institutions that do not instill a devotion to both intellectual honesty and truth in their post-graduates are corrupt to the core, for the traditional purpose of the Ph.D. degree is to educate people for the advancement of knowledge. Without a devotion to intellectual honesty and truth, such advancement is impossible.

I have been a devout critic of such people for some time, and I have not only posted my critiques for public examination, I have always sent courtesy copies to the individuals involved. What recently provoked this reaction is an piece written by John C. Goodman (what a misnomer!) that was published in the Dallas Morning News on July 16, 2007 under the headline, Film buffs may praise Moore's Sicko, but policy buffs can see all its defects.

Now I am not a defender of Moore or his movie. I have not seen it, and since I'm not much of a movie-goer, I am not likely to see it. But one doesn't need to see or even know anything about the movie to understand how nonsensical Mr. Goodman's piece is. Right from the start, in the second paragraph to be exact, he locks himself into a contradiction. He writes, " Sicko isn't a movie about health care and how to fix it. It is a one-sided attempt to drive a very specific agenda--single-payer, government-run health care." But John, single-payer, government-run health care is proposed as a way of fixing our broken health care system. So if the movie is about single-payer, government-run health care, it is about health care and how to fix it; it can;t be any other way.

But it's Mr. Goodman's arrogance that is grating. He writes, "A majority of movie reviewers and columnists have praised Mr.

Moore's filmmaking and lauded him for raising the important questions. The problem is, few of them can speak to the policy issues. . . ." And then, "Why . . . is national health insurance in other countries as popular as Mr. Moore says it is? One reason is that people do not realize how much they pay for it in taxes." Now how could Mr. Goodman know that either of these statements is true? What evidence could he ever bring to bear to support them? Has he tested people on their knowledge of policy issues? Has he objectively surveyed the citizens of other countries to determine what their knowledge of where their tax contributions go? Of course not. Mr. Goodman's claims are the claims of a scoundrel. He also writes, "If you have never tried to see a doctor in Britain or Canada, you might even believe it." Well, how many times has Mr. Goodman tried to see a doctor in these countries? Is his knowledge of the national healthcare systems of these countries based on personal experience or hearsay? These statements and others are not only unsubstantiated claims, many of them are unsubstantiatable. But what's even worse, the criticisms he levels at the healthcare systems of these countries apply even more so to the American system.

He says that "in Britain, about 1,000,000 are on waiting lists, in Canada, more than 876,000, and in New Zealand, more than 90,000." But he neglects to point out that in America more than 47,000,000 can't even put their names on a waiting list. Put these numbers in a list and compare them:

1,000,000

876,000

90,000

47,000,000

So even if his numbers are true, the criticism is absurd. And then he writes, "In fact, people in other countries often have to pay out

of pocket for care that has been denied them by the government." This claim may very well be true, but in America, the insured have to pay out of pocket even for insured procedures. Hasn't Mr. Goodman ever heard of co-pays and partially covered procedures. An American with health insurance goes into a hospital for even a minor procedure and comes out owing thousands of dollars on top of what his insurance has paid. That never happens to a Canadian or Britain or a New Zealander.

The reality is that Mr. Goodman is a shill for a corrupt, inefficient, and mediocre healthcare system. Within the past year, the Harvard Medical Journal published a piece showing that Americans of all income levels are being subjected to sub-par medical care and were paying more for it, as much as one and a half times more, than the people in any of the countries whose healthcare systems Mr. Goodman criticizes.

And there is an example in Mr. Goodman's piece that utterly baffles me. , "Why . . . is national health insurance in other countries as popular as Mr. Moore says it is? . . . A third reason is that most people are healthy." Why so, I wonder? Is it because they have better healthcare?

Finally, the worst thing about Mr. Goodman's piece is that not an iota of it is original. Robert Weissman has a piece on the web at titled More Humane and More Efficient National Health Insurance which contains the following paragraphs:

"The health insurance industry and its allies have worked hard to respond to SiCKO by promulgating a series of deceptions. It's awfully hard to defend the current U.S. system, so their emphasis is on criticizing other countries' healthcare systems.

They have a lot of practice at this stuff. Get on a call with people like Sarah Berk of Health Care America and Sally Pipes and John Graham of the Pacific Research Institute, and they will compellingly recite three key misleading arguments:

\* People in other countries have to suffer through long waiting periods before seeing a doctor or getting treatment.

\* National health plans ration care.

'Government-controlled healthcare' or 'government monopoly healthcare' is inherently of inferior quality."

Mr. Goodman not only lacks a devotion to intellectual honesty and truth, he even has to copy other people's stuff. He is a spade that surely should be called black.

## CRISIS OF AMERICA'S HEALTHCARE SYSTEM

That the government of the United States should be in league with corrupt foreign governments should be no surprise. Remember the dictum, birds of a feather flock together? The government of the United States is as corrupt as any of its "allies," which becomes more and more evident every day. The only difference is where the corrupting money comes from. America's allies get it from the United States; America gets it from its corporations. But therein lies a story that has, to my knowledge, never been accurately told.

Consider healthcare in America, for example.

CBS' 60 Minutes aired an exposé on Sunday October 25 on Medicare fraud, estimating that it now amounts to about \$60 billion a year, and I have no reason to dispute that figure. Medicare fraud has increased because criminals have found a way to get substantial amounts of money with little effort and little chance of being detected. According to the FBI, "All you have to do to get into this business is rent a cheap storefront office, find or create a front man to get an occupational license, bribe a doctor or forge a prescription pad, and obtain the names and ID numbers of legitimate Medicare patients you can bill the phony charges to. . . . Once the crooked companies get hold of the patient lists, usually stolen from doctors' offices or hospitals, they begin running up all sorts of outlandish charges and submit them to Medicare for payment, knowing full well that the agency is required by law to pay the claims within 15 to 30 days, and that it has only enough auditors to check a tiny fraction of the charges to see if they are legitimate."

Of course, the Congress designed this program. I suspect the requirement to pay claims within 15 to 30 days was inserted at the behest of the medical community whose interest is in getting paid rather than in combating fraud. The doctors who are bribed or have poor security procedures to safeguard patient records are members of this community. The community has an enormous influence over Congress. AARP has an editorial in its November, 2009 issue about the excessive charges to medicare for powered wheelchairs, that states, "Congress has blocked attempts to impose competitive bidding." So a corrupt Congress designs an easily corruptible system. As an ancient Chinese proverb says, officials don't punish those who send gifts.

Maggie Fox writes that the healthcare system wastes up to \$800 billion a year. She cites (1) the paper-based system of patient recordkeeping, (2) unnecessary care, (3) fraud, (4) kickbacks and other scams, (5) administrative inefficiency and redundant paperwork, (6) medical mistakes, (7) non prevention of preventable conditions, (8) inefficient hospital and physician billing and administration, and (9) the use of emergency rooms for routine treatments because of a shortage of primary care doctors (and, I suspect, the lack of access many in America have to routine medical care). Unfortunately she quotes Robert Kelley, vice president of healthcare analytics at Thomson Reuters, as having said, "The good news is that by attacking waste we can reduce healthcare costs without adversely affecting the quality of care or access to care." But I doubt it.

The America healthcare "system" is a fractured, distributed, hodgepodge of thousands of private companies made up of physicians, clinics, hospitals, pharmacies, pharmaceutical companies, equipment manufacturers, and insurance companies.

All of these entities have their own policies, procedures, and practices, and attempts to get these various companies to voluntarily spend the money to bring about an efficient, uniform system are bound to fail, especially since the waste in the system contributes to their incomes, and any attempt by the Congress to impose changes on the industry would certainly fail because the industry would use its influence on the Congress to oppose it. So any claim that the waste will be wrung from the system is delusional.

But despite the various and sundry ways the industry operates, it, like all other industries, does a number of common things. In general, businesses sell products and services to generate income to fund overhead, salaries, profits, and marketing. The money for all of these is built into the prices of those products and services. In other words, the money comes from consumers.

Consider marketing, for instance. People are led to believe that the “free” television they watch is paid for by the sponsoring companies. But when the money is followed to its source, one realizes that the money comes from the people who buy products and services from the sponsoring companies; the money for advertising is built into the prices of the products and services sold. So although sponsoring companies are said to fund “free” television, in reality, consumers are funding it and it is not free. People pay for it with every purchase they make. So when companies object to recording devices that eliminate commercials, they are obfuscating reality. Since the viewers are the ones who supply the money spent by companies on commercials, why shouldn't the viewers have the ability to watch the sponsored programs without having to watch the commercials?

This circumstance, of course, reveals the fallacy in the claim of orthodox economists that competition reduces prices. There is, of course, no empirical evidence to support this claim. In fact, the evidence refutes it. Competition in contemporary society requires marketing. Marketing is expensive. The expense must be added to prices. So competition necessarily increases prices. The argument is irrefutable. The reverse is mathematically impossible.

But something even more insidious is involved, and to my knowledge, it has never been pointed out. Companies not only engage in the practices enumerated above—overhead, salaries, profits, and marketing—they also lobby the Congress, contribute to political campaigns, fund ideological institutions, and buy political advertising. And where does the money for all of this corporate spending come from? Why consumers, of course.

The insidiousness lies in this circumstance: Corporations use this money to influence the Congress to pay no heed to what the people need or want and even to oppose the enactment of beneficial public programs. But it is the people who supply the money the corporations use to buy the influence, which puts the public in a paradoxical situation that can only be likened to requiring the condemned to purchase their own nooses. That is how corrupt the American government has become.

So no, the Congress cannot fix healthcare. For exactly the same reasons cited above, the Congress can't fix anything. It can no more fix America than the Karzai government can fix Afghanistan. Corruption works the same way everywhere, and America can't oppose it abroad while it prevails at home.



Jefferson wrote, "The time to guard against corruption and tyranny, is before they shall have gotten hold on us. It is better to keep the wolf out of the fold, than to trust to drawing his teeth and talons after he shall have entered." If Jefferson is right, it is far too late to save America by fighting corruption. America is lost! It shall suffer the fate predicted by Amos Bronson Alcott when he wrote, "A government, for protecting business only, is but a carcass, and soon falls by its own corruption and decay."

## DUMB, DUMBER, AND DUMBEST IN HIGHER EDUCATION

As an elderly, former university professor, I am deeply anguished whenever I come across shameful academic writing. Such writing not only exposes the inability of the writer but it exhibits the extent of decline in American university teaching and is a symptom of a decadent civilization.

I recently came across a piece titled Future Prospects for Economic Liberty which was published by Hillsdale College. The piece's author is Walter Williams, the John M. Olin Distinguished Professor of Economics at George Mason University. He writes, "The Founders understood private property as the bulwark of freedom for all Americans, rich and poor alike." Well, perhaps, but not likely. A few founders, some founders, many founders, or all founders? They certainly didn't put any such statement in the Constitution. There is but one instance of the phrase "private property" in the Constitution. It occurs in the Fifth Amendment and reads, "nor shall private property be taken for public use, without just compensation," which clearly allows the government to take private property. As a matter of fact, the Constitution institutionalizes no economic principles as Justice Holmes, dissenting in *Lochner vs the People of the State of New York*, recognized when he writes, "a Constitution is not intended to embody a particular economic theory, whether of paternalism and the organic relation of the citizen to the state or of *laissez faire*. It is made for people of fundamentally differing views, and the accident of our finding certain opinions natural and familiar, or novel, and even shocking, ought not to conclude our judgment upon the question whether statutes embodying them conflict with the Constitution of the United States." And although I assume a

few poor people own private property, historically the poor were property less and known as slaves or serfs.

Williams also writes, "the Constitution restricts the federal government to certain functions. What are they? The most fundamental one is the protection of citizens' lives. Therefore, the first legitimate function of the government is to provide for national defense against foreign enemies and for protection against criminals here at home." Well what can one make of this claim? Certainly the Constitution's Preamble lists provide for the common defense as one of the things the Constitution was expected to do, but nowhere in the Constitution is there any reference to "saving lives." Defending the nation against foreign enemies isn't a life saver. People die defending nations. The Constitution also doesn't say anything about protecting citizens against criminals, although it does say, again in the Preamble, insure domestic tranquility and promote the general welfare. Making specific acts criminal doesn't insure or promote either of these.

Of course, saving lives is a good thing, and if Williams believes that that is a governmental function, he'd better start advocating universal healthcare, safe working environments, higher wages, market regulation, and a host of other programs not enumerated in Article 1, Section 8 of the Constitution. All of these programs, and many others, save lives.

Williams also writes, "the free market system is threatened today not because of its failure, but because of its success. Capitalism has done so well in eliminating the traditional problems of mankind's disease, pestilence, gross hunger, and poverty. . . ." Well, I know of no disease that has been eliminated. Certainly cures for some exist, and some can be controlled, but I defy him to name a single one that has been eliminated. And "gross hunger and poverty" certainly exist in the America I live in. It has

recently been reported that one in six Americans live in poverty and that food stamp assistance currently is at an all-time high of about 36 million.

These claims of Mr. Williams certainly are dumb, but he makes even dumber claims. For instance, "if I offer my local grocer three dollars for a gallon of milk, implicit in the offer is that we will both be winners. The grocer is better off because he values the three dollars more than the milk, and I am better off because I value the milk more than the three dollars." Not only is this statement nonsense, it is based on a gross misuse of English diction. Consumers in grocery stores don't "make offers" to "local grocers." There are places commonly called "farmers markets" where that kind of offer may take place, but not in any grocery stores in the communities I have lived in for more than seventy years. The local grocery stores are massive corporations. How could any consumer make them an offer for a gallon of milk? The managers of these local grocery stores are often even hard to find. How would a checkout clerk respond to an offer to pay so-and-so for a gallon of milk?

But the dumbest claim is this: "Another common argument is that we need big government to protect the little guy from corporate giants. But a corporation can't pick a consumer's pocket. The consumer must voluntarily pay money for the corporation's product." In a sense, but what if the consumer has no alternative? And what about products that don't work as advertised? That's certainly a way of picking a consumer's pocket. Our local Fox television station regularly runs a feature called "deal or dud" during which it tests highly advertised products. I presume that Mr. Williams would be shocked to learn that most are duds. Corporations certainly use such products to pick consumers' pockets.

Mr. Williams is a shameful example of a university professor who has adopted an ideology, parrots it, and has never had an original thought of his own. His references to the Constitution are asinine and his reasoning ability is far weaker than sophomoric. What's worse, however, are the two institutions mentioned above, Hillsdale College and George Mason University and others like them. They can be likened to Mideastern madrasses' pure purveyors of ideology. These institutions have abandoned the classical educational ideals of truth, goodness, and beauty for belief, greed, and exploitation. And not only Americans but the whole world is paying a horrid price for it.

## EDUCATION AND FEDERAL INTERVENTION

As a retired professor of philosophy, I was recently pleased to receive two pamphlets from Hillsdale College, two issues of *Imprimis*, but I found both to be somewhat devious.

One, *A Conversation with Milton Friedman*, I found dull. No hard questions were asked and no soft answers were probed. Despite Milton Friedman's national acclaim, I never found either this work or his essays to be impressive. I viewed him as intellectually dishonest, and his association with Augusto Pinochet in Chile made a mockery of the claims to being an advocate of freedom. The printed interview is unworthy of further comment.

The other, *The Crisis and Politics of Higher Education*, is another matter. Written by Hillsdale's President, Larry P. Arnn, it, in some convoluted fashion, argues that America's educational problems are the fault of federal governmental intervention in how educational institutions are operated, yet he fails to point out that anti-intellectualism in America has long and deep historical roots. He bemoans the corrupting influence of federal regulations which come with federal aid, but he proudly points out that Hillsdale doesn't accept such aid, so how would he know how burdensome the regulations that come with it are? He dates the start of this corrupting federal intervention to 1965 with the passage of the Higher Education Act. I began my teaching career in 1961, so most of my teaching was done after the beginning of this intervention. Oddly enough, I don't recall ever having a single federal rule imposed on my classroom teaching. I was always free to teach what I knew and to debunk what I knew to be false.

Certainly, American education is not currently a high quality endeavor, but the problems cannot be blamed on the federal government. America's colleges and universities were woefully

unprepared for the onslaught of baby-boomers who began matriculating in the 1960s. Not only did adequate facilities not exist, there was an enormous shortage of qualified professors. Institutions all over the nation not only scraped the bottom of the barrel, they scraped through it into the gravel to find instructors. Graduate students suddenly became full-fledged professors, professors took on enormous classes taught in amphitheaters and even over closed-circuit television, and since the shortage of facilities and professors could not be filled instantly, these conditions lasted long enough to become institutionalized, and quality, never very high to begin with, plummeted. To those of us teaching then, the decline was very disquieting. We watched as university education took on the status of middle school teaching. The need for professors and facilities required enormous sums of money and the colleges and universities were delighted to get as much of it as they could get from the federal government. When that wasn't enough, raising tuition was the answer. The nation began to pay more and more for less and less.

Of course, politics had a lot to do with it, but not federal politics. Many colleges and universities in this country are state funded, and state legislatures always have been and still are stingy.

The essay's examples of the results of American education prior to this federal intervention are also unconvincing. Bell's invention of the telephone is mentioned, but Faraday's discovery of electricity's basics is not. The invention of the laser is mentioned, but Maxwell's wave theory is not. While Americans are famous for their trinkets, Europeans are famous for their pure science. We got to the moon with the help of people educated in Germany, we built the atomic bomb with the help of people educated in Italy. Radar was invented in England, the jet engine in Europe, the radio in Italy. American greatness was never predicated on discovery.

The contents of these two pamphlets may seem unrelated to one another, but they are not. Both have an underlying theme, although neither justifies it. The theme is government intervention is bad. But not even Adam Smith believed that to be universally true.

Beliefs other than religious can be held religiously. The defining characteristic of a religiously held belief is its lack of justification. Clausius, for example, while on his way to discovering the second law of thermodynamics noted that the caloric theory has become more like a religion than a science, and Michael Faraday noted that "By adherence to a favorite theory, many errors have at times been introduced into general science which have required much labour for their removal." The idea that government intervention is bad is one of those favorite and erroneous ideas.

The idea, of course, emanates from Adam Smith. It is encompassed in laissez faire. But to the people who are attached to this idea, results do not seem to matter. A characteristic of knowledge is that it produces the same results everywhere. Laissez faire, whether in economics or government, does not. And even where laissez faire economics seems to work, the results have been spotty.

Laissez faire economics has been tried now in Western civilization for more than two centuries. It has brought great wealth to some, a measure of prosperity to many, and not very much to the rest. It has never been totally satisfactory and has been abandoned in most of Western Europe in favor of more socialized economic systems which involve considerable governmental intervention. So why is this idea held so religiously by so many Americans? There is one and only one answer--the American educational system has been and still is a fraud, and the people running America's educational institutions, along with their political cohorts are to blame. American education has never



really been about education; it has always been about vocational training. Every successful student in arts and letters has been asked, what can you do with that?

This, then, is the deviousness I find in these two little pamphlets. They promote a favorite ideology rather than genuine knowledge. No college or university worthy of the name should be engaged in that kind of nefarious activity.

## EDUCATIONAL REFORM OR INEPTITUDE?

That the American educational system is broken is one fact that everyone, it seems, is in agreement with. “Despite decades of reform attempts and billions of dollars of investment, the American education system badly needs improvement.” Only 34 percent of eighth graders are proficient in mathematics, 29 percent in science and 33 percent in reading. Compared to other countries, American students score near the bottom –21st out of 30 in science and even worse in mathematics –25th. Only 70 percent of students graduate on time. Americans also give the nation’s public school system poor grades, with 70 percent grading the system as C, D or F.

Reform movements can be likened to the crocus which bursts into bloom every autumn. Although begun in the nineteenth century, reform movements increased in the 1980s. Ronald Reagan tried to reduce or eliminate the Department of Education, and Hirsch attacked progressive education, advocating an emphasis on “cultural literacy.” In the 1990s most states adopted outcome-based educational reforms. Committees were created to set standards and select quantitative instruments to assess student performance. Standards-based National Education Goals (Goals 2000) were set by the U.S. Congress which culminated in the No Child Left Behind Act of 2001. It is still an active nation-wide mandate. Outcome based reformers suggested other methods, such as constructivist mathematics and whole language studies. Some advocated replacing the high school diploma with a Certificate of Initial Mastery. Other reforms suggested are school-to-work, which would require all students except those in a university track to spend substantial class time on a job site. In the 2000s, several more education reforms were proposed: longer

school days/years, after-school tutoring, charter schools, school choice, school vouchers, smaller class sizes, improved teacher quality, improved teacher training, higher credential standards, higher teacher pay, performance bonuses, firing low-performing teachers, internet and computer access in schools, mainstreaming special education students, higher curriculum standards, better textbooks, redesigned schools and classrooms, more private schools, school choice, and even home schooling. None has shown a measurable improvement in the quality of education in America. In fact, it appears that the more reforms undertaken, the worse education gets. For decades, the nation has been grasping at straws to build a house that the big bad wolf huffs and puffs and blows down. Now we have another straw – Race to the Top.

One example given of how to improve schools is that of Washington, DC. Michelle Rhee, the system's Chancellor, thinks she may have a solution: Treat it like any other business. Make educators accountable for their successes and failures. If you don't succeed as a principal or teacher, she "wants you out."

When she arrived two and a half years ago, she inherited schools like Sousa Middle. "It was out of control," Rhee says. "I mean, there were more children in the hallway than in the classroom, all the kids had hoods on, had their earphones in, [and were] swearing at teachers." Rhee removed the former principal and fired 11 of 31 teachers, introduced school uniforms and Saturday school. Last year's test scores were up double-digits: 25 percent in math, 17 percent in reading. The attendance rate is 98 percent. Impressive, isn't it?

Let's ask some questions. Rhee fired a principal and 35 percent of the teachers. Where did she get the replacements from? More

likely than not, she stole them from other schools. But then the stolen teachers had to be replaced? How? Were the teachers Rhee just fired rehired? If so, that doesn't help. Although she may have improved one school in her district, she may have also worsened others.

And what if this method were practiced at every school throughout the nation? Let's do some arithmetic.

The nation's colleges and universities grant about 100,000 teaching degrees a year. More than 12 percent of all newly hired "teachers" enter the workforce without any training at all, and another 15 percent enter without having fully met state standards—that's 27 percent. Hiring them won't help. That leaves 73,000 adequately trained new teachers a year. But the schools lose about 300,000 teachers a year through attrition, which means that at the current rates, our colleges and universities are graduating about 227,000 fewer teachers each year than are needed even if no poor teachers are replaced. (Obama recognizes this, but he gets the number wrong. He says, "And year after year the gap between the number of teachers we have and the number of teachers we need . . . is widening. The shortfall is projected to climb past a quarter of a million teachers in the next five years.")

There are about 100,000 primary and secondary schools in America staffed by about 3,000,000 teachers. If a third of the principals have to be replaced, 30,000 new principals have to be found. New principals usually come from teaching faculties. And 35 percent (the percentage of teachers Rhee fired) of 3,000,000 is 1,500,000. Together, that makes 1,530,000 teachers that have to be replaced?

Suppose a goal of 18 years (one school generation) were set to replace them. Sixty thousand would have to be replaced each year. But this makes the yearly teacher-gap rise to 287,000. To eliminate this gap, the nation's colleges and universities would have to almost triple the size of their current graduating classes; yet no one advocating this way of improving the America's educational system seems to realize it. Perhaps they all flunked arithmetic! Does this suggested reform make any sense? The only possible result of this reform is either an exacerbation of the teacher shortage or the moving of so-called poor teachers from one school to another. This reform makes everything worse.

Furthermore, these numbers assume that the reform would take place over 18 years, which is a long time in economic terms. The average time between economic downturns in America is less than fifteen years. Halving the time set to "reform" the system doubles the needed size of college graduating classes to almost six times their current sizes. Race to the Top or Snail's Pace to the Top?

Michelle Rhee wants to treat education like any other business. How will that help? The Postal Reorganization Act signed by President Richard Nixon in 1970, replaced the cabinet-level Post Office Department with the United States Postal Service, a corporation-like independent agency with an official monopoly on the delivery of mail. Just look at how wonderfully that worked out! Service has deteriorated while the cost of mailing has risen. Now, apparently, Saturday delivery is to be eliminated. What about General Motors and Chrysler? Those businesses worked so well they required bailouts. Chrysler required bailouts twice; remember Lee Iacocca? What about AIG and the rest of the

financial industry? And what about all the businesses that file for bankruptcy every year? Should education be run like those?

These reformers seem to believe that raising standards will improve student performance. But will it? If students can't meet the current "lower" standards, how will raising them make things better? Isn't it possible that higher standards will merely result in lower graduation rates? What do any of these reforms do to change the attitudes of students? These reformers neglect the distinction between teaching and learning. If students aren't motivated to learn, improved teaching won't help unless the assumption is made that improved teaching will in itself motivate students. Is there any evidence to support that?

But Michelle Rhee gets something right. She says, "the reason isn't the kids—it's the system. In [this] society there is not a particularly high regard for education." No, there isn't! The American educational system doesn't work for the very same reason all sorts of other things in America don't work—the culture pursues the wrong goals.

Citing the shortcomings of the No Child Left Behind Act, President Obama wants American students to be more competitive in the global economy. "We want to challenge everyone—parents, teachers, school administrators—to raise standards, by having the best teachers and principals, by tying student achievement to assessments of teachers, by making sure that there's a focus on low-performing schools, by making sure our students are prepared for success in a competitive 21st century economy and workplace [emphasis mine]."

But the Congress doesn't work because it's members believe that their function is to promote business at the people's expense. Immigration programs don't work because business claims it needs low-wage labor. The courts don't work because judges favor businesses over consumers. The healthcare system doesn't work because the profits of businesses must be protected. And education doesn't work because educating Americans is not its goal, providing for the needs of business is.

Education in America is a misnomer. All that it amounts to is various kinds of vocational training. The President wants to encourage students to study mathematics and science to promote business. The President believes that students can be attracted to mathematics and science by making the study of these subjects fun. "We've held science-themed events like Astronomy Night here at the White House. That was . . . fun, by the way." But that's been tried before, and it doesn't work.

American students see athletes, some of whom have never been to college and some of whom have but never graduated, making fortunes. Students see entertainers succeed who have had no meaningful educations at all. Sports and entertaining are more fun than mathematics and science. Bill Gates and Steve Jobs are hailed as American icons; both are college dropouts. Commission a poll. Ask students if they'd rather be rock-stars or mathematicians. It's not necessary, is it? We all know the answer.

Better still, if anyone wants to know why the American educational system will not restore or save the American economy, ask the President, the members of Congress, the Captains of Industry, and the thousands of American shopkeepers why they never wanted to be teachers,

mathematicians, or scientists. Ask them why they haven't encouraged their children and grandchildren to become teachers, mathematicians, and scientists. They could at least afford the educations required without having to take on the years of indebtedness other students are forced into. The answer will reveal why the proposed reforms will never work.

Americans work for companies by necessity but not enthusiastically. On the job, they do exactly what is required and no more. American workers long ago realized that going the extra mile to better corporate prospects never results in corporations going the extra mile to better the lives of their employees. These employees know that whenever a company believes that it can increase its profits by abandoning workers, the employees become sacrificial lambs. Now people are being told to become teachers, mathematicians, and scientists to save America's business oriented economy. Wouldn't it be wiser to reorient the American economy to serve the needs of people?

People who in all likelihood could not master these subjects themselves are trying to convince students to become mathematicians and scientists. What is really wanted are trained infantry in the army of industrial workers commanded by CEOs with MBAs who in all likelihood could not even recognize no less solve a simple differential equation that any mathematician or scientist would consider child's play.

The wealthy who control America never have wanted and do not today want an effective educational system. What they have always wanted and still want are trained hurdy-gurdy monkeys, because they know and have always known that a truly educated populous would not tolerate the unjust seventeenth century legal



system based on English common law that promotes and maintains this immoral seventeenth century economic system. Nations have often tried to use schools to make better workers, and that's all these reforms are aimed at doing.

But these seventeenth century institutions have now plunged America into the pickle. A seventeenth century economy cannot compete with twenty-first century economies. It needs mathematicians and scientists and a lot of other smart people too. But educating mathematicians and scientists is vastly different from educating accountants, lawyers, and MBAs. Mathematicians and scientists must be highly literate, capable of thinking independently, willing to question commonly accepted beliefs, demand evidence, and provide proofs that are then subjected to rigorous peer review. Once people acquire those skills, seventeenth century institutions cannot endure. So America's wealthy elite are now impaled on the horns of a dilemma. If the seventeenth century economy can't compete, it will fail, and if the people are educated enough to enable it to compete, it will be dismantled by criticism and reform.

Solving Americas educational problems, and most of its other problems too, requires a fundamental cultural change, one that changes all of America's institutions, especially the law, business, and the way the government operates. The problems cannot be solved otherwise. Given human inertia, the task is immense.

America today is a nation that emulates seventeenth century England. The common people, without whose efforts society could not exist, have but one function—provide for the needs of the economy; the economy does not exist to provide for the needs of people. Nassau William Senior (1790-1864) spoke of the

laborer's relation to his employer as the "connexion between him and his master [emphasis mine]." But master-slave is a Hegelian contradiction, not a relationship that promotes cooperation.

In academia, the dictum, publish or perish is well known. A new dictum that America's wealthy need to learn is, alter or falter. I doubt that they're up to the task.

## FIXING PUBLIC EDUCATION

Fixing Texas' public educational system is in the news today. The legislature is engaged in all kinds of contortions trying to avoid conforming to a court order to equitably fund Texas public schools, and The Texas Education Agency is engaged in surreptitious schemes to avoid complying with the requirements of the No Child Left Behind act. But this problem is not confined to Texas. Nothing the nation is now doing will fix the problems with American public education, because these problems are the result of outdated educational values and thinking based on the wrong model. So instead of trying to identify and correct the ultimate causes of the problem, Americans are, instead, attacking teachers. It won't work.

America has never placed a high value on education. Read Richard Hofstadter's *Anti-intellectualism in American Life* for the full story. As a result, education has never been adequately funded. But the amount spent on schools has been commensurate with our attitudes toward them. So, in truth, American public education has never been anyway near superlative, and it's not going to be anytime soon.

Yet we enjoy taking credit for advances made in America and funded by Americans that were really only possible because we bought knowledge developed elsewhere. The two principal examples are the development of the atomic bomb, which could not have been done without the knowledge of the foreign trained scientists who worked on the Manhattan project, and our landing of men on the moon, which could not have accomplished without the knowledge of the German scientists we captured at the end of the Second World War. Most Americans are too young to remember our solely American attempts to launch rockets into

space, most of which merely blew up on their launch-pads. But we take credit for these accomplishments anyhow. Mere bravado! So, now we're into accountability and testing as solutions to the problem. But how are teachers responsible for their pupils' performance?

Oh, I have no doubt that there are some teachers who are less than competent. But it is unlikely that the percentage of teachers in that group is greater than the percentage of less than competent workers in the workplace, lawyers and judges in our courtrooms, business executives in their suites, newspaper editors, or even lawmakers and presidents. Get a list of the presidents of the United States and underline the superlative ones. What is there to praise about Martin Van Buren, James Knox Polk, Millard Fillmore, Rutherford Hayes, William Howard Taft, Warren Harding, and Calvin Coolidge? What great minds these were! So why is it that although we do not expect high levels of competency in other professions, we want to see it in our teachers?

There are two verbs associated with education: to teach and to learn. Why? Because education is a dual enterprise. The teacher teaches, the pupil learns. Although teaching may, in some cases, be a necessary condition for learning, it is not a sufficient condition.

Consider this example:

A teacher teaching mathematics has 30 students. At the end of the term, using an independent tester, one student earns a legitimate A, four earn Bs, ten earn Cs, ten earn Ds, and five fail. Some would consider these results unsatisfactory and blame the teacher. But if the teacher were truly incompetent, how did any student learn anything? How do you explain the A and Bs? The teacher taught well enough to enable some students to learn. Is it possible for any teacher to teach well enough to enable all the students to learn? Well, not if what we know about how

intelligence is distributed over a randomly selected population is true. People, after all, are not all equally intelligent.

But even intelligent pupils sometimes failsadly, but true. Why? Because students have to cooperate with teachers if learning is to occur. Students must study, and often they do not. No teacher can do anything about that. Parents can, others in society can, but teachers can't.

The idea of accountability is based on the wrong model. We're thinking in manufacturing terms.

A raw material is delivered to a factory. Workers, presuming adequate tools are used, turn the raw material into products. If the workers do their jobs properly, a satisfactory product emerges from the factory. If they don't and there is nothing wrong with their tools, the workers can be considered accountable.

But students are only raw material in a metaphorical sense. The raw material that comes into a factory doesn't have to exert any effort of its own to be made into a product. But a student does. So how can the teacher be accountable if some, but not all, students learn?

The question we need to address is, Why many students don't study?. But were not addressing it. Part of the answer, however, is that their parents are uneducated and don't value education. And that's a cultural, not a pedagogical issue.

Then there;s standardized testingall the rage in Texas, and I mean rage in its ordinary sense.

Think about testing. A common occurrence in our colleges and universities is cramming before an exam. It does get many students through examinations they would otherwise fail. But how many of these students could pass the same test a month later without the benefit of a cramming session? We don't have to answer this question, do we? We all know the answer.

So what does standardized testing prove? Little if anything.

There you have it. Were going to fix public education by making teachers accountable and requiring students to pass standardized tests! Sure we are! But not until we all live in Disneyland.

## FOR THE LOVE OF SPORTS

I have often been perplexed by mankind's devotion to sports. Perhaps, in 400 BCE, when physical prowess was far more needed than it is today, such devotion made sense, but in today's world, it strikes me as absurd.

This devotion to professional sports teams is especially so. The people of Dallas, for instance, with whom I am most acquainted, consider it sacrilegious not to be a supporter of the Dallas Cowboys. Yet such devotion has little or no justification. The Dallas Cowboys have not played a game in Dallas for decades. The team does not train in Dallas; its facilities are not in Dallas; its players are not Dallas natives and, for the most part, do not live in Dallas. So why do the people of Dallas express such affection for the team?

This kind of devotion is analogous to being devoted to a corporation, for that is what professional sports teams are. The people of Detroit, for instance, might better express this kind of devotion to the Ford Motor Company than to the Detroit Lions. The Ford Motor Company's success is far more important to the residents of Detroit than the success of the Lions. Yet the Lions do seem to be far more important to the people of Detroit than the Ford Motor Company is, even though life is no different in Detroit the day after a game, regardless of who won, than it was the day before.

Our secondary schools, colleges, and universities also express a similar absurd devotion to sports. It is well known that many of these institutions are devoted to teams, many of whose players never even graduate. Isn't it absurd for educational institutions to be more devoted to their sports teams than to their graduation rates, and even more importantly, to the quality of the educations their students receive?

But there is something even more revealing. The Winter Olympics have just begun in Torino, Italy. I, like many others, watched some last night. After about half an hour, I was bored into somnolence. The repetition of activities can be likened to watching a person walking on a treadmill. Every athlete in each category makes the same moves that all the others make. Having seen one ski jump, haven't we seen them all?

Even worse, every four years the event is repeated, with all the same events made up of all the same actions. It can be likened to Hollywood's making just one movie over and over again, only changing the actors each time. Wouldn't that make a wonderful world of entertainment? The plot never changes; only the protagonists do. That sums up sporting events. And the plot is even trite.

Some anthropologist-sociologist needs to study this phenomenon. In learning about the root of this stupid behavior, we, perhaps, would have the grounds for understanding why human beings can commit the same stupid errors over and over again, such as exploitation, crime, and even war.



## FRAUDULENT EDUCATIONAL REFORM IN AMERICA

*“Curiosity is the wick in the candle of learning.”*  
– William Arthur Ward

What goes on in America’s schools is essentially identical to what goes on in the Madrassas of the Muslim world. In both, orthodox beliefs are taught as truth and critical examination is discouraged. Two worlds clash in loggerheads.

In the 1960s, I came across a little book entitled *Master Teachers and the Art of Teaching*. This unpretentious little book, written by John E. Colman of St. John’s University, not only enlightened me as a young university professor but proved to be invaluable. In it, about a dozen different teaching methods are described along with some information about the master teachers who designed them. Each of these methods was used successfully to teach some subjects to some students. None was used successfully to teach all subjects to all students. Throughout my teaching career, I found opportunities to utilize many of these methods when the right situations arose. The lesson I learned from this little book is that there is no one teaching method that works for teaching all subjects to all students. Finding the right method for the students at hand is at best an art, never a science, and is never easy.

Few people understand this. In fact, teacher training suppresses it. Teaching methods are taught to prospective teachers as fixed, reliable procedures that never fail when in reality, they rarely succeed. And although carried out in numerous variations, the predominant way of teaching in America’s schools at all levels has been the teacher’s lecture and the student’s need to memorize it. Today the lecture is often presented in various ways. The

student listens to a teacher speak, or reads a teacher's words in a textbook, or watches a televised presentation or a computerized video. And students are asked to memorize some portion of the presented material. Furthermore, the memorization of presented material is the most boring way of teaching anyone anything. No one likes having to memorize stuff. Some teachers, like orators, are better at lecturing than others which leads many to conclude that the quality of the presentation is what really matters and that that quality depends on the teacher's talent. But it doesn't. Teaching is neither a necessary nor a sufficient condition for learning. Human beings had been teaching themselves and others for millennia before what we know as a "teacher" ever existed.

The history of education in America makes this transparently clear. Even the Puritans had ways of teaching their children, but the first normal school, a school to train students to be teachers, didn't come into being until 1839, less than two centuries ago. It resulted in building a school system modeled on an industrial, manufacturing model that still controls thinking about education today. Unfortunately it was faulty then and still is today.

Using this model, our schools are thought of as factories, the teachers are thought of as factory workers, and students are thought of as raw material. Each student enters the school system as a tabula rasa and exits as a book engraved with "knowledge." The engraver, of course, is the teacher who is responsible for what is written on the tabulae. The system is devoted to mass producing educated people, and even anecdotal observations of people clearly demonstrate that it has never worked. Had it worked, everyone who attended school would have been equally educated, just like the buttons produced in a button factory are all

alike. Two and a half centuries of graduate counterexamples absolutely refute the theory.

But so does the experience of most students. It is the rare graduate of any school on any level who can't name a teacher s/he considers exceptionally good. Yet even those teachers never taught every student in their classes equally well. Some learned a lot, some learned less, and perhaps some learned nothing. No teacher can be responsible for such disparate results. Something other than the teacher's ability must be accountable for them, because each student in each class was subjected to the same presentations. Mill's method of difference must be used to identify the other, but no reformer is attempting to use it. Blaming the teacher is so much easier, and putting the blame there proves that the improvement of education is not the aim of reformers.

Even though we routinely ask children what they would like to be when they grow up, except in trivial ways, our schools rarely make attaining their goals possible, because the system is designed to make products not educated human beings. Prospective college students are always being told, even by the President, to study subjects that the commercial community needs to carry out its enterprises. Lindsay Oldenski, Assistant Professor, School of Foreign Service, Georgetown University, writes that the need is to match graduates to the areas where labour demand is growing. Students are not told to study the subjects needed to become what they want to be because unless the commercial community wants people who want to be what they want to be, this society has no place for them in it, which proves that this society does not exist for people, but that people exist to fulfill the purposes of the commercial community.

The President says more scientists are needed. No one asks him why? No one points out that we don't pay any attention to those we already have. Why are more scientists who are not going to be paid attention to needed? What the commercial community wants is not scientists, but scientists who fulfill the commercial community's needs. So the schools need not produce environmentalists or climatologists or anthropologists.

What schools need to produce are scientists like Wernher Magnus Maximilian Freiherr von Braun who was quite content to use slave labor to produce weapons of mass murder. Our commercial community needs scientists like that and apparently quite enough of them are being produced. The educational system exists to produce factory fodder, and educational reformers are concerned not with improving education but with producing factory fodder better. But it won't work! CNN recently released a list of the 16 colleges in the country that produce the highest paid graduates. Princeton University was first on the list; yet only 49% of its graduates considered their jobs to be meaningful. Training for work is not education for living, not even when highly paid. The average rate of meaningful work for the 16 colleges is a mere 51%. Can you approximate the average for all workers, especially the lowest paid? What does this say about the quality of life Americans enjoy?

Our reformers' love affair with technology has also shown itself to be ineffective. American love for science and technology is grounded in religious-like faith, not reality. This love produces a deeply held belief that science and technology will solve all problems. That it may not is never even considered, so reformers go from one technology to another in an endless search for the holy grail of learning. Television was introduced into college

classrooms in the early 1960s. It enabled one professor to “teach” hundreds of students, but they never learned very much. A decade later, computers were introduced into the public schools. A lot of computers were bought; little increase in learning was observed. Now the classroom is being shifted to the Internet.

But test scores keep dropping. Despite decades of reforms and billions of dollars spent the American education system badly needs improvement; yet no relevant improvement is even in sight. “Most of the nation’s 2012 high school graduates aren’t ready for college, and their reading skills continue to steadily decline, hitting their lowest level in four decades, new data show.” In fact, piles of evidence reveal that Americans are getting dumber. People who have graduated from high school since the pocket calculator was invented can’t calculate in their heads, not even simple addition, subtraction, and multiplication. Many people addicted to the Internet have difficulty reading anything more complicated than a tweet, and the technical constraints imposed by the internet are making it impossible to teach spelling and the nuances of grammar. What can seriously be written about in 140 characters? Articles become mere headlines and headlines become mere soundbites.

America is, and always has been, an anti-intellectual society. It is a conservative nation with deeply held conservative views. This conservatism stems from its widespread fundamentalist religious values. Numerous progressive attempts to change this have failed and are failing again. When the Republican Party of Texas recently approved its 1912 Platform, it included the following paragraph:

Knowledge-Based Education

We oppose the teaching of Higher Order Thinking Skills (HOTS) (values clarification), critical thinking skills and similar programs that are simply a relabeling of Outcome-Based Education (OBE) (mastery learning) which focus on behavior modification and have the purpose of challenging the student's fixed beliefs and undermining parental authority.

And the Alabama Legislature considered a bill to stop the teaching of evolution as a fact. That even a part of America's governing elite tries to enact such reactionary views into law means that they are attempting to make improving the American schools impossible. The American elite does not want anyone to improve the American schools. America's schools will never be reformed because the culture impedes it. The reform movements are not about education. They, like everything else in America, are about money. Both the American political and economic systems rely on a thoughtless, unintelligent, uneducated populous. Einstein said that it is a miracle that curiosity survives formal education. In America, it hasn't. To become learned, a person, especially a child, must be imbued with curiosity. But marketing to children and entertaining adults are based on mindless activities. How does watching a sporting event, a televised situation comedy, a music-video, a cartoon awaken curiosity? What does any of this make a person want to learn? The culture doesn't make Americans want to learn anything about anything. Such people do not make willing students. Schooling to them is something being forced upon them; they naturally resist it. Students who don't want to learn won't, and the society has developed no means of awakening curiosity. For educational purposes, the lack of curiosity is fatal. It cannot be cured.

A healthy curiosity is the only weapon against ignorance. Teaching is nothing but the art of awakening the natural curiosity of students, but learning what is taught is not enough. Learning whether what is taught makes sense is ultimately essential. Unfortunately that aspect of educating people is not part of American education.

So, in a sense, what goes on in America's schools is essentially identical to what goes on in the Madrassas of the Muslim world. In both, orthodox beliefs are taught as truth and critical examination is discouraged. Two worlds clash in loggerheads. "Where ignorance is our master, there is no possibility of real peace." -Dalai Lama

## HE SAYS, SHE SAYS JOURNALISM

When I was younger, I dutifully watched network news and commentary, especially programs such as Meet the Press and Face the Nation. But I slowly came to the realization that I was not being informed, that I was not learning anything. And the reason, I discovered, was very simple.

In their efforts to present balanced programs, the format for such programs is always the same. Some topic is announced, and two guests, one from each political party, appear to present their sides of the issue. But anyone who keeps abreast of issues already knows the canned positions of the two parties, so listening to the two guests reiterate them never provides any additional insight. What is absent from this kind of programming is an objective adjudicator who has the ability to compare what the guests say to reality. I presume the networks believe that the hosts have this ability, but that's rarely true.

Once upon a time in America, and perhaps elsewhere too, journalists were among the most educated class of people. Being members of that class, their opinions carried some weight. So the editorial was used to influence public opinion. But journalists today are not any more educated than their readers. And the issues that now call for understanding are far more complex than they were even a century ago. Journalists are just not up to the task anymore.

The result is that the news now amounts to little more than reports of what this or that person has said rather than reports of what has happened. So although we know what the politicians propose, we lack the means of judging the validity of the opposing proposals. Consequently, issues never really get resolved, and the nation's institutions break down.



Think about it. Our legal system which once held that it is better for the guilty to go unpunished than for the innocent to be convicted now routinely convicts innocent persons. Our schools, on every level, fail to educate. Our churches, supported by people who say they are believers, fail to get their members to act in accordance with their beliefs. Movers and shakers in the business community are increasingly being found guilty of defrauding both their investors and their clients. Scientific knowledge is valued when it becomes marketable technology but is ignored in the absence of marketability even when it portends disaster. In short, we have adopted the practice of judging things by what is said rather than by what is done. We have taken the age-old distinction between appearance and reality and shucked off the reality.

It's time to take notice of what people say only when actions and facts are available to support their views. All else is nothing but mere hot air.

## HOW NOT TO CURE HEALTH CARE

In 2001, Milton Friedman, the eminent economist, published an article titled, How to Cure Health Care. Although the article accurately describes the problems with the current American medical care delivery system and compares it to the systems of other nations, it is an intellectually dishonest document and more accurately should have been titled, "How Not to Cure Health Care."

Mr. Friedman's associating himself with one specific recommendation for curing the health care system can be likened to Julia Roberts' recommending a specific line of cosmetics. So Mr. Friedman's argument must be assessed carefully if the document is not to be dismissed out of hand as an example of the well known informal fallacy, *argumentum ad vericundiam*; an illicit appeal to authority.

When you look carefully at the argument, one of the first suspicious things you find is absolutely unverifiable claims.

For instance, ". . . nobody spends somebody else's money as wisely or as frugally as he spends his own." To some, this may appear to be some sort of common-sense truth, but it isn't true at all. I suspect that almost anyone knows someone who spends his own money as recklessly as he would spend someone else's. You may even know someone who spends his own money more recklessly than he would spend someone else's.

Another is, ". . . employees are likely to do a better job of monitoring medical care providers because it is in their own interest than is the employer or the insurance company or companies designated by the employer." Notice the hedge, likely. How could anyone know how likely this is? To do a good job of monitoring medical care providers, you would have to have access to all sorts of information, none of which is readily

available. Go to any phone book, pick out the names of three physicians, and then ask yourself, how could I monitor the quality of care provided by these doctors? How could you even find out about their fees?

Then there's, ". . . the lower the price, the greater the quantity demanded; at a zero price, the quantity demanded becomes infinite." Ask yourself what this means. The air we breathe is free. Do we demand infinite amounts of it? If food were free, do you really think we'd all sit around asking for more and more and more?

Again, "If the tax exemption for employer-provided medical care and Medicare and Medicaid had never been enacted, the insurance market for medical care would probably have developed as other insurance markets have." How is anyone supposed to calculate this probability? How can anyone ever calculate the probability that something would have happened if? Enough of these, but next you find the gratuitous use of emotionally charged words.

For instance, "Gammon's observations for the British system have their exact parallel in the partly socialized U.S. medical system. Removing the two words, partly socialized has absolutely no effect on the meaning of the sentence. So why are those words there? Because they're hot button words, surely to get the heads of a specific class of people nodding.

Mr. Friedman raises this specter elsewhere too. "We are headed toward completely socialized medicine and, if we take indirect tax subsidies into account, were already halfway there." But he knows very well that our system of medical care has not one iota of socialism in it. Socialism is an economic system based on collective or governmental ownership and distribution of goods and services. But our government, either on the state or national level, doesn't own the means of providing medical care. They are

all owned by private persons and corporations (virtual private persons). So what's the point of calling this specter forth? Its only purpose is to stir up the emotions of the antisocialists. As such, this specter has no place in a policy statement, especially one that tries to give off the air of an economist's objective investigations.

Of course, Mr. Friedman is right when he labels the third party payment system as the root of America's health care problems. Unfortunately the solution he suggests not only won't work; when one thinks about it, it is absolutely baffling.

Friedman writes, "The high cost and inequitable character of our medical care system are the direct result of our steady movement toward reliance on third-party payment. A cure requires reversing course, re-privatizing medical care by eliminating most third-party payment, and restoring the role of insurance to providing protection against major medical catastrophes" and implementing medical savings accounts. He writes, "A medical savings account enables individuals to deposit tax-free funds in an account usable only for medical expense, provided they have a high-deductible insurance policy that limits the maximum out-of-pocket expense."

I have commented on medical savings accounts before, because I cannot see how people could be expected to accumulate enough money in them to guarantee access to medical care. But Mr. Friedman's article gives this a new twist. He says, ". . . a number of large companies (e.g., Quaker Oats, Forbes, Golden Rule Insurance Company) . . . offered their employees the choice of a medical savings account instead of the usual low-deductible employer-provided insurance policy. In each case, the employer purchased a high-deductible major medical insurance policy for the employee and deposited a stated sum, generally about half of the deductible, in a medical savings account for the employee. That sum could be used by the employee for medical care."

Although this is interesting, how can it possibly solve our greatest problem with the health care system? Since employers are the ones who purchase high-deductible major medical insurance policies for employees and deposit a sum in a medical savings account for the employee, those now covered by medical insurance would continue to have reasonable access to the health care system. But this scheme would do nothing for the millions of people who are either unemployed or are employed by companies that do not provide health insurance unless . . . . What is the unless? Unless the government provides the major medical insurance policies. But that would be a national health insurance program which Mr. Friedman makes clear he is against. So all Mr. Friedman's thesis amounts to is a scheme to continue providing health care to those who already have it and leave the have nots to themselves. And he has the audacity to call this a cure!

It is a wonder that a respected economist would present such a piece of biased baloney; it is a greater wonder that Americans would read and not see through it. These two make clear just how deep the trouble America is in.

## HOW NOT TO CURE HEALTH CARE-PART 2

In his article, *How to Cure Health Care*, Milton Friedman cites a number of facts about America's health care system that most Americans are unaware of. He writes, for instance, "the United States is exceptional: we spend a higher percentage of national income on medical care (and more per capita) than any other OECD country, and our government finances a smaller fraction of that spending than all countries except Korea. And Direct government spending on health care exceeds 75 percent of total health spending for 15 OECD countries. The United States is next to the lowest of the 29 countries, at 46 percent."

Unfortunately, he continues, "Our steady movement toward reliance on third-party payment no doubt explains the extraordinary rise in spending on medical care in the United States. However, other advanced countries also rely on third-party payment, many or most of them to an even greater extent than we do. What explains our higher level of spending? I must confess that despite much thought and scouring of the literature, I have no satisfactory answer."

This last sentence must certainly be disingenuous. While other countries may also rely on third-party payment, they also control the operations of those payers while we do not.

In the United States, third-party payers negotiate fees with physicians with no guidance from the government. They can pay their employees, especially their corporate officers, huge sums of money, and they can use facilities of any type they wish from modest to luxurious. They can set premiums and co-pays at any amount they wish in order to cover the costs of not only the physicians' fees but all of this overhead along with additional profit margins. And except for the fees paid to physicians, not one single cent of these amounts buy any health care.

Now I'm sure Mr. Friedman would retort that competition between payers prohibits them from abusing these practices, that Adam Smith's invisible hand restrains such excess. But in truth, there is practically no real competition between health care providers and insurers. Adam Smith's invisible hand has been shackled.

My evidence for this claim is this: Companies in competition advertise, but have you ever heard of physicians or hospitals advertising. Do they ever offer specials; do they ever have sales? Why not? Because there is plenty of patients around to buy all of the services supplied.

The same is true of medical care insurers. Have you ever seen them advertise? Do they ever offer specials; do they ever have sales?

Contrast this with the pharmaceutical industry. When companies have competing drugs on the market, the advertising is ubiquitous. Drug are advertised along with the recommendation that patients ask their doctors if these drugs might be beneficial. In effect, the patient is being asked to recommend his treatment to the doctor.

Now have you ever heard a health care insurer advertise his service and ask you to recommend it to your employer? Why not? Of course, Mr. Friedman admits that In terms of holding down cost, one-payer directly administered government systems, such as exist in Canada and Great Britain, have a real advantage over our mixed system. . . . [But} Our mixed system has many advantages in accessibility and quality of medical care . . .

Unfortunately, those who make this claim never address a very important question: What good is the quality of medical care to the many persons who can't afford it? After all, it has never been a secret that the well-to-do can purchase better products and services than the not-so-well-off. But in most other circumstances,

there are not-quite-as-good alternatives. In our system of medical care no such alternatives exist.

Another claim made is that "[one payer systems] can ration care more directly at the cost of long waiting lists and much dissatisfaction." Well which is better, a waiting list or no service at all? And so far as dissatisfaction goes, Mr. Friedman, in this very same article, writes, " Since the end of World War II, the provision of medical care in the United States and other advanced countries has displayed three major features: first, rapid advances in the science of medicine; second, large increases in spending, both in terms of inflation-adjusted dollars per person and the fraction of national income spent on medical care; and third, rising dissatisfaction with the delivery of medical care, on the part of both consumers of medical care and physicians and other suppliers of medical care." How much worse can the dissatisfaction become?

People, like Mr. Friedman, who object to government programs in principle, remind me of this quip delivered by Winston Churchill: "The United States can always be relied upon to do the right thing once it has exhausted all the alternatives."

Before the development of some recent medications, I was afflicted with extremely painful migraine that often lasted for days. The only thing that brought relief was injections of Demerol. And my physicians were usually willing to provide it in controlled circumstances. Once, however, after moving to a new location, I ran into a physician who would not provide it, saying that she did not believe in narcotic treatments. I told her in reply, that she was then a preacher posing as a physician, since her treatments were based not on accepted medical knowledge but an unjustifiable belief. After thinking about what I said, she approved the injection.



I am tempted to think of people like Mr. Freidman in the same way. Economic advice based on a belief in some stated economic theory, such as free-market capitalism, is really akin to advice based on religious doctrine. Such people are preachers passing themselves off as economists. Perhaps they ought to be required to wear collars.

## IGNORANCE IN AMERICA

Ignorance is pervasive in America; it affects the rich as well as the poor, the powerful and the powerless, the famous as well as the obscure. It's prevalent in the suites of our nation's CEOs, the Congress, the military, and even our universities. It defines this nation.

Christiane Amanpour, one of CNN's stellar correspondents, presented a special in August 2008 titled *God's Muslim Warriors*. It mentioned Syeid Qutb's 1964 book, *Milestones*, which, she claims, "advocated violent jihad, even against Muslim governments" and inspired generations of Muslim radicals and the creation of the Muslim Brotherhood. She describes *Milestones* as "a moral indictment of America."

Qutb, she says, "came to America in 1948 to study. But American culture shocked the scholarly Muslim poet and critic." She appears to quote (the transcript doesn't make this clear) Syeid Qutb asking, "This great America, what is it worth in the scale of human values? I wish I could find somebody to talk with about human affairs, morality and spirit, not just dollars, movie stars and cars." She quotes a person named Azzam saying, "He [Qutb] used to express in some of his letters about his feelings that the American society is losing its soul because of its materialism. He said that's all they think about." She says, "Qutb wrote that Islamic values are the cure for spiritual emptiness. He urged Muslims to purge the world of Western influence, if necessary, by force."

She interviewed Fawaz Gerges, a Lebanese born Christian, who holds the Christian A. Johnson Chair in International Affairs and

Middle Eastern Studies at Sarah Lawrence College, who says, “Qutb resented the deep philosophical secular roots of American society. He resented the way women and men interact in society. He resented the obsessive nature of America materialism. He believed that America lacks ritualism.” He describes Qutb as “a man who found the country to be a spiritual wasteland,” and says Qutb’s “views of America are terrifying . . . because they’re narrow. They present America in very simplistic dichotomies.”

But Ms Amanpour makes it appear as though Qutb wrote a book that contained merely two sentences: “America and the Western world have a moral problem because they look at the human being only from a materialistic point of view” –a statement that many Americans would agree with –and “Islamic values are the cure for spiritual emptiness.” How those two sentences could have inspired a jihadist movement and the emergence of the Muslim Brotherhood is difficult to discern. Ms Amanpour tells us what happened because of the publication of Milestones but by reducing the book’s content to two sound-bite sentences, she leaves us completely ignorant of why happened. Such cavalier treatment of Milestones is a symptom of the value placed on books by Americans, and I recently realized just how curious the status of books in American society is.

Having passed the midpoint in my seventieth year of life, my wife and I decided that it was time to downsize, so we started looking at smaller houses. Over those seventy plus years, I had accumulated an extensive library –more than two, perhaps more than three, thousand volumes. So as we looked at houses, my eye always looked for places where books could be shelved. But not one house we were shown had been designed to accommodate the shelving of books. Apparently American architects,

developers, and builders do not consider books to be something they need to make accommodations for in American homes. Their houses have kitchens, bedrooms, bathrooms, dining rooms, family rooms, entertainment and game rooms, but no book rooms, making it clear that books are not an integral part of American culture.

Books, however, are repositories of knowledge. People become educated by reading books. If homes lack books, the means to education are lacking. If a child finds that books are not valued in his home, why would he value them in school? If reading is not encouraged at home, how can teachers convince students of the usefulness of reading? If his family believes that what they learn from watching television is enough, why would any child believe differently? And the nation's dropout rate provides strong anecdotal evidence that learning is not important to many Americans.

America has never been very good at educating its people. (Athletes receive scholarships; scholars do not.) Of yes, America has its marvelous, prestigious universities, but they don't produce highly educated Americans. Most advanced degrees awarded by U.S. universities in science, technology, engineering and mathematics go to foreign nationals.

Our controversial reliance on H1B visas is well known. America takes credit for building the atomic bomb, but much of the science was developed in Europe and many of the scientists involved were Europeans who were educated there. The president, in his "Yes, we can!" oratory says "We put a man on the moon in ten years." Yes, we did, but not without help from German scientists and engineers who many believe should have been tried as war

criminals in Nuremburg at the end of World War II. The English built the first modern computer (secretly) and invented radar. A German designed the first operational turbojet engine. American colleges and universities do not graduate enough schoolteachers, nurses, or primary care physicians (many of which we now import from that intellectual giant named India). Even our nation's financiers relied on a Chinese mathematician's theorem to evaluate risk. (I have never heard anyone say that we lack enough MBAs.) When the nation's financiers decided to use David X. Li's Gaussian copula function to assess risk, they led the world down a road to perdition. Li himself said of his own model: "The most dangerous part is when people believe everything coming out of it." Such belief results from mathematical ignorance.

Although we have educated a few very well, we have not made education an integral part of our society. Not only have we taken to importing the products we sell, we have for decades imported the brains we use. Now we have even been reduced to having to import our own money. We have almost become an entirely dependent nation.

The American educational system won't be improved by producing more teachers, building more classrooms to reduce class size, or creating programs such as head start and no child left behind. It can only be improved by a fundamental change in our cultural values.

Imagine what American athletics would be like if bats and balls of all types and the broadcast of athletic events were as rare in American homes as books. Americans need to recognize that no nation was ever made great by its entertainers, athletes, and

shopkeepers; yet a nation of entertainers, athletes, and shopkeepers is what America has become. None of these is an intellectual pursuit.

America's ruling oligarchs may believe that the public can be kept ignorant while they and their children can be learned, but they're wrong. Ignorance is pervasive; it affects the rich as well as the poor, the powerful and the powerless, the famous as well as the obscure. It's prevalent in the suites of our nation's CEOs, the Congress, the military, and even our universities. It defines this nation.

How anyone can believe that America can continue to prosper in this state of ignorant dependency is a conundrum of Gordian-knot proportions. I believe it was Dean Baker (sorry, I lost the reference) who wrote, "We need to remember what happened to the British Empire. Having originated with the overseas colonies and trading posts established by England in the 17th century, by 1922, it held sway over one-quarter of the world's population on whom 'the sun never set.' Yet by 1914 it had become a 'nation of shopkeepers' which could not then nor again in 1939 defend itself against much smaller Continental powers." Those in power in America are ignorant of history, too.

## ILLEGAL DRUGS AND IMMIGRANTS- TWO PEAS IN ONE POD

Americans have a nasty predilection of placing the blame for America's problems in the wrong place, a predilection that prevents this country from solving its problems.

For decades now we have been waging an unsuccessful war on illegal drugs. This war has primarily been waged against the people in other countries where the raw products from which the drugs are made are grown and from which they are shipped. Billions have been squandered on this war while the results achieved have been negligible. Yet we won't give it up or change its strategy, even though every economic theory known recognizes that banning products that people want always leads to black markets and that the bans never work.

But America's illegal drug problem is not the fault of foreigners. Illegal drug traffic will cease only when the market for illegal drugs disappears, and that may be never. Drugs saturate our society. Not even candy is marketed as pervasively. We are told that there is a feel-good drug for every affliction, and banning one person's feel-good drug while promoting multifold feel-good drugs for others is a policy that is not only paradoxical, it is paradoxically confusing. In such a milieu, it is impossible to concoct messages that would convince illegal drug users to give up their habits. So can we win this war? Not unless we place the blame where it belongs on Americans and the policies we promote.

There is also much ado in this country over illegal immigration. Yes, we do have a problem with it. But this problem is not the fault of Latinos who bear the burden of blame. Like the war on drugs, illegal immigration will cease only when the jobs that attract it cease to exist.

But there is money to be made by businessmen who are willing to exploit such people, and much of this money can be used to keep the Congress from passing and enforcing the laws that would be required. Yet a solution to the problem is very simple. Significantly raise the minimum wage, strictly enforce its payment, and severely penalize the people who employ illegals. Yes, such actions would raise the prices of some products and services, but those actions would also increase the incomes of American workers. How that trade-off balances is undetermined, but prices on most products and services have an inbuilt upper limit. There is an economic concept known as elasticity, which means that when a desired product or service becomes too expensive, people buy less expensive substitutes that may not work as well but will do. Every product and service we need does not have to be gold plated. So can we solve this problem? Not unless we place the blame where it belongs on Americans and the policies we promote.

Will Americans every face up to this reality? Doubtful! Certainly not in the short term, for we need to remember what Jefferson wrote in the Declaration of Independence: "all experience hath shewn that mankind are more disposed to suffer, while evils are sufferable than to right themselves by abolishing the forms to which they are accustomed."

I doubt that most Americans are afflicted with enough suffering because of these problems to demand appropriate action. For most Americans, illegal drug use and illegal immigration are someone else's problems, and until these problems begin to affect all, little can be done to solve them.



## INSURANCE REFORM

The Dallas Morning News recently ran a piece that contained comments you made about the present legislature. I would like to comment on those you made about insurance reform.

First, the legislature seems to misunderstand the principles of underwriting. Underwriting principles are based on averaging risks by building a client base that is a cross section of the general population. By doing that, the risk associated with high-risk clients is balanced by the risk associated with low-risk clients. This principle is amply demonstrated by group health insurance plans.

This principle implies that the risks associated with individuals or even sub-groups of individuals need not be taken into consideration. It is obvious that the use of credit scoring is a violation of this basic underwriting principle.

The alternative to this way of underwriting is to underwrite each and every prospective client. Certainly, that can be done, but its enormously expensive, and because of that probably unworkable. Consider this example. Our home is insured by a mutual company which issues annual reports to its members. Recently we received the latest annual report, a flier consisting of four pages. The first page consists of a statement from the president, and the last page consists of an abbreviated balance sheet. The president in his statement wrote "the association dipped into its reserves for a second year in a row to pay the claims of its members." But the balance sheet containing figures for the years 2001 and 2002 showed that this claim is untrue. In both years, premiums more than covered both claims and expenses associated with paying claims. What was not covered completely were underwriting expenses which amounted to almost 30 percent of the companys income. Of course, there are two ways of

covering the shortfall: the company can raise premiums or reduce expenses. Which do you suppose the company chose to do?

Now to credit scoring. Having spent twenty years in college classrooms teaching logic, I have for some time now sought a copy of even one study that claims to show a significant correlation between losses and credit scores. But you know what?, none can be found. They are all secret! which leads me to believe that the claims are false; otherwise, the companies would be anxious to publish them.

## INTELLECTUAL DISHONESTY-BANE OF THE AMERICAN INTELLECT

Much is disseminated about the prevalence of dishonesty in America: dishonesty in advertising (often euphemistically called puffery), dishonesty in politics, dishonesty in accounting, dishonest financial planners, counterfeit or pirated products, plagiarism, even cheating in the classroom. But there is one kind of dishonesty that is rarely mentioned intellectual dishonesty, which is not only prevalent, it is subversive.

What is intellectual honesty? It is an attribute of scholars and scientists that is usually defined as the willingness to follow an argument or evidence wherever it leads, regardless of one's personal inclinations. As such, it is usually associated with researchers.

The word, research, when used by discriminating writers, has a distinct meaning. The Merriam-Webster Dictionary of Synonyms places the word into the following group of words with similar but not identical meanings: inquiry, inquisition, investigation, inquest, and probe. It states that these words are here compared as meaning a search for truth, knowledge, or information. The meanings of these words, while similar, differ in important ways. For instance, probe . . . applies to an investigation that searches deeply and extensively with the intent to detect wrongdoing. . . . while research . . . is restricted to inquiries or investigations carried on . . . especially for the sake of uncovering new knowledge, or getting at the facts when these are not known, or of discovering laws of nature. . . .

America is cursed with a lot of entities that pass themselves off as research institutes, most of which were founded to propagate a specific philosophical, religious, political, or economic view. The word research, when applied to these institutes is a misuse of

language that amounts to prevarication, dishonesty in every sense. One cannot be engaged in uncovering new knowledge, or getting at the facts when these are not known, or of discovering laws of nature if the thesis to be advocated is assumed to be known from the beginning. What these institutes do is not research.

These institutions, if correct usage be applied, are described by a different group of words: publicity, propaganda, promotion, and ballyhoo. We all know what publicity is, and we may even think we know what propaganda is. But some knowledge of this terms history is revealing. It was originally used as a short term for the Congregation for the Propagation of Faith, which is a Papal department. Its purpose was to convince people to accept the absolute truth of Christianity regardless of any evidence or argument to the contrary. In time, the term came to be applied to the concerted or systematic efforts of any group that tries to convert others to its way of thinking, which, of course, is exactly what these prevaricating institutes do. If they were named correctly, i.e., in accordance with recognized standard English usage, they would properly be called Propaganda Pushers.

The insidious aspect of these institutes is their abject intellectual dishonesty. Like any religious institution that holds the absolute truth, the people in these institutes reject any evidence to the contrary, not by argument, but by merely ignoring it. In that way, they can never be dissuaded. They are not merely liars, not merely inveterate liars, but absolute liars. The only way these institutes can be stopped is to label them honestly, i.e., by referring to them as propagandists.

The list of such institutes is long; to list them is not practical. However, whenever you come across an article or news release attributed to an institute, before believing its content, go to [www.prwatch.org](http://www.prwatch.org) and search for the institute by name. Prwatch

will tell you if the institute in question was established to promote a specific point of view. Exercise a hefty degree of skepticism when reading such articles and news releases.

## IS PERFECT RESEARCH POSSIBLE?

Some claim that there is no hope of doing perfect research. Well what foolery!

Diction is an important component of all good writing. The words a writer uses not only set the tone (archaic, slangy, colloquial, formal, idiomatic, legalistic, bureaucratic, etc.) of a composition, they set the level of precision of the writer's thinking. Since language is the medium of human thought, imprecise diction is often a sign of imprecise thinking and renders any claims made by the writer suspect.

When someone asks whether perfect research is possible, the person being asked is placed in a quandary. Research is delimited by tasks. Some are simple; others are not. If a seeker wants to know how to replace the heating element in an electric oven, just reading the directions printed in the user manual will usually yield the required information. The research is perfect; it is faultless. But if a diplomat wants to know how to eliminate the dangers of nuclear weapons, no amount of research is likely to provide an answer. Research can, at best, provide only different levels of achievement. Just as a writer can select different words or phrases for different contexts, a researcher can attain only different levels of success for different tasks.

Reading the advice given by those selling research papers is scary. Look at this paragraph:

People who are in their academic career, usually requires a research in the assignment provided by their schools / universities. Sometime throughout their college careers, most students face the challenges of writing a research paper. Even the professionals / working people they also require a research for preparing their presentation or gathering information from other sources. I love doing research; I involve myself in the theme, it

helps me to understand the topic more easily. You have to be cautious with the research you are doing. It should be understandable by the reader. My research tools sometimes includes some search engines, they are the lifesavers. There is No Hope of Doing Perfect Research Yes, I agree.

Would you trust this person's research? Not I! Note the bad grammar and syntax and that the paragraph comes from a site named cheathouse. Indeed!

Or again, consider this paragraph from another source:

Developing a virtuous research paper question is the most important aspect that is to be initiated in the preliminary or planning stage of the research paper, the research paper questions are to be derived even before the finalization of the "Topic" of Research writing assignment because the topic will be chosen based on the final and chief question(s). Essaycapital.com provides its essay writers with specialized training that helps them comprehend with the research paper requirements in an enhanced manner. The research question is the most crucial part of a qualitative research paper as the whole paper is bound to revolve around the particular question or a set of inter-linked questions. The perfect research question should never be too broad, that is, the question should only focus on a sub detail of the major issue. At we will provide you with an example to show you how to create a good research question.

The style of this paragraph is bureaucratic. Would you buy a research paper from essaycapital? Not I!

And finally, consider this excerpt:

Research paper writing has a specific focus and should not be confused with essays or thesis writing. A research paper is not designed to offer new evidence or report on developing work but as a collation and presentation of existing work. The research is to uncover existing knowledge of a topic and synthesize a focused

and coherent report on this subject. A research paper is not intended to prove a hypothetical point but to present an existing fact. There are three directions you can take in designing your research paper. A simple analytical approach discusses the major points of your subject, evaluates them each in turn and then concludes with an evaluation of the research to the reader. An expository research paper does not so much offer altering viewpoints on your topic as it seeks to inform and explain what the subject matter is. A much more involved research paper is the argumentative form. In this type of research paper you pick a point of view and present your research findings to prove your opening statements."

Unfortunately, how the author of this sagacious wisdom distinguishes between "essays or thesis writing" and "the argumentative form" is a mystery.

In summation, consider this passage from James Lester's *Writing Research Papers*:

Why write a research paper? The answer is twofold. First, you add new information to your personal storehouse of knowledge by collecting and investigating facts and opinions about a limited topic from various sources. Second, you add to the knowledge of others by effectively communicating the results of your research in the form of a well-reasoned answer to a scholarly problem or question. . . . Any adequate research assignment . . . ask[s] you to inform, interest, and, in some cases, persuade the reader. You must be able to judge critically the merit of the evidence which you have compiled . . . and then be able to express precisely demonstrable conclusions about it. Such a task requires concentration and, more importantly, demands an imaginative molding of your material. . . . [Y]ou might attempt to compile a paper by paraphrasing a few authorities and by inserting quotations abundantly. But such a compilation would prove



seriously inadequate since it would merely be presenting commonplace facts and opinions . . . [Y]ou would have offered a recital of investigations without the personal expression and explanation that is the ultimate purpose of all research. . . . (Lester, James D. *Writing Research Papers*, 2nd Edition. Glenview, IL. Scott, Foresman and Company, 1976.)

So, is there hope of doing perfect research? Of course there is sometimes! It all depends on the whether: whether the subject is limited and whether the researcher can write and is intelligent enough to adequately evaluate the evidence. Unfortunately, many sites on the Web are peddling research but are selling Polish sausage. Not a pretty picture.

## JOURNALISTS FAIL WHEN REPORTING ON MEDICAL CARE

From what one reads in newspapers and magazines, it is impossible to determine what journalists think their function in society is. Is it to inform the public or is it to report what they hear from their sources? Someone might say that its both, but if a journalist's sources tell him/her what is false or amounts to nonsense, that journalist would be misinforming the public unless the falsehoods and nonsense were identified. Sadly, that doesn't seem to ever be done.

The Dallas Morning News yesterday printed a piece about healthcare costs under the heading, Raise the burden on you . Its gist is consumers should comparison-shop for treatments. Such comparison shopping is illustrated by citing the example of one Dr. Fickenscher who ate himself into 382 lbs and researched the costs of and then purchased weight-reduction surgery. (I wonder what kind of advice Dr. Fickenscher was giving his overweight and obese patients.) He is quoted as saying, "I was highly engaged in the choice of a surgeon because it was my money. That's what it will be like as consumers have to reach into their own pockets." But will it?

Dr. Fickenscher's surgery was elective and not covered by his health insurance. And even after shopping around, he didn't find anything very cheap. Thirty-thousand dollar elective surgery is not something most Americans can afford.

But tell me how this scenario is going to work when a parent is awakened in the middle of the night by the screams of a child with acute appendicitis? Is the parent going to tell the child to hang on until morning and even longer while papa shops around? And what is the woman who is suddenly told she has breast cancer going to do? Is she going to shop around for the

cheapest surgeon she can find? What would such a woman think of a husband who even suggested that she should?

Why didn't the journalist who talked to Dr. Fickenscher ask these questions? He/she probably thought that that wasn't part of his/her function, but had he/she done so, the unworkability of this comparison shopping idea would quickly have been revealed.

Then there is this business about Austria in the piece that is really baffling. Austrians, apparently, pay \$5.70 for each prescription, but the true cost of the drug is printed on the package. And the piece contains this sentence, "Austria's experiment with price labels made consumers aware, but because it wasn't their money, it didn't slow spending on drugs."

But I say wait a minute. Do Austrian consumers prescribe their own drugs or do physicians prescribe them? If physicians prescribe them, how could their patients have changed anything? Could they have been expected to say, "Please doctor, prescribe something cheaper?" And if, as is often the case here in America, the patient is asked if he/she is willing to use a generic drug, then all the Austrians have to do is eliminate that choice. So just what does including this material in the piece aim to prove? In America, at least, patients cannot decide for themselves what drugs they are going to use.

The use of Dr. Finkenscher's experience and the Austrian example are so nonsensical, they render this is piece meaningless. But there's even more falsehood!

What is known about the American healthcare system?

First, the Economist publishes at least once every year the healthcare expenditures per capita of most countries. For a number of years that publication has shown that Americans pay more for healthcare per capita than the citizens of any other nation. So it just can't be true that "The consumer share of health

costs is higher in Austria." Someone told the journalist who wrote this piece a lie that could easily have been repudiated with just a little bit of research.

Second, the New England Journal of Medicine reported sometime during the present year that Americans, regardless of their income levels, are receiving substandard medical care.

Third, it was recently reported that Americans pay more than twice as much for medical care per capita than the British, and the British are healthier and their healthcare system covers everyone. So if people are trying to shift the burden of medical care onto the American consumer, it is not being done to improve the healthcare system. It has some other ulterior motive. A good journalist would have dug that out.

I don't know what's up with the government of Austria, but I know what's up with Dr. Finkenscher. He works for an American company trying to screw its employees and their dependents. If he really cared about medical care, he'd be in private practice, making medical care less of a scarce resource. But then again, who would trust a physician who ate himself into a 382 obese monster? Why should anyone trust him or others like him now?

## JUSTIFYING TUITION HIKES

Oh Billy boy, what hast thou done? When I studied composition in the long gone Golden Age of America, I was emphatically taught not to write about what I didn't know. Apparently that is not taught to aspiring journalists anymore. (Next week, I'll reach the 77 anniversary of my birth, I spent more than 20 years teaching in American universities, and about 20 years working in the commercial world.)

So schools must now "justify their tuition hikes." Big deal. Prevaricating justifications are not rare; people in politics utter them all the time. In how many different ways has the President justified the war in Iraq? University presidents know how to lie, too.

"Texans footing the bills are the winners because the schools they pay to educate their children must display a stronger sense of mission." Displaying a sense of mission is easy; effectively carrying out the mission is something else. I believe that our troops in Iraq display a strong and unequivocal sense of their mission, but they have not been able to carry it to fruition and there are no winners. A university's strong sense of mission does not automatically result in the graduation of well-educated students.

But your real howlers are displayed in your comments on student-professor ratios and the money to be generated for student aid.

First, student-professor ratios are meaningless. I have taught in universities with ratios lower than 19 to 1. Yet those universities offered introductory courses in popular subjects in auditoriums which held hundreds of students whose examinations were graded by and who were tutored by graduate assistants. The number of professors at a university has nothing whatsoever to

do with class sizes. A good third of the professors at major universities teach few if any classes, especially to undergraduates. This third of professors consists of department heads, assistant deans, deans, councilors, other administrative officers, and above all, professors hired to fill prestigious research chairs such as the two you mention. Do some arithmetic.

Suppose a university has 25,000 students and 500 professors. Its student-professor ratio is fifty to one. Now suppose it hires 50 prestigious professors to fill research positions. Now the ratio is forty-five to one, but not a single class has had its size lowered. Happens all the time. Universities know how to maximize the divisor and minimize the ratio. It's an easy number to calculate, to fudge, and it's sure to fool most people, even the journalists at U.S. News and World Report.

Then there's the tuition thing and the money to be raised for student aid. Say tuition is \$5,000 and 25,000 students are enrolled. Now suppose enrollment is held constant and tuition is raised 3%. People pay \$3,750,000 more to send their children to this university. The 20% take for student aid is \$750,000. So the people pay \$3,750,000 more so that a mere 145 students can attend free, 290 can attend at half-tuition, 580 can attend at quarter-tuition. And one hundred forty-five is approximately one-half of one percent of 25,000. Now that's what I would call a great deal for people! If a retailer advertised a sale at which prices would be reduced one-half of one percent, I'm certain the retailer would have to hire a small army to keep people from breaking down the walls to get in, aren't you?

I don't know what's happened to America's journalists, who seem to happily print the propaganda they are told by officials and have abandoned analysis and investigative journalism almost entirely. And if you keep up with polling, you must surely know that people have little faith in journalists any more. Aren't you

ashamed to be a major player in such a profession? Not being ashamed of it can be likened to a Cosa Nostra hit-man's pride in being a member of the Mafia.

Shame Billy boy. Shame, shame, shame! Your readers deserve much, much better.

Once again, the Texas legislature has screwed the people of Texas, and you're patting those lawmakers on the back. Sure tuition deregulation works, just as electricity deregulation works, and tort law reform works, and insurance reform works. All of these work for someone, but not for the people of Texas.

Perhaps your paper ought to change its motto to, "Reader, screw you!"

## KNOWLEDGE, TRUTH AND HUMAN ACTION: AMERICA HITS THE WALL

“Believe nothing just because a so-called wise person said it. Believe nothing just because a belief is generally held. Believe nothing just because it is said in ancient books. Believe nothing just because it is said to be of divine origin. Believe nothing just because someone else believes it. Believe only what you yourself test and judge to be true.” [paraphrased Buddhist saying]

Americans have a problem with the truth. They seem to be unable to accept it, which is difficult to understand at a time in history when knowledge plays a larger and larger role in determining human action. Recognition of this problem is widespread. Beliefs and lies somehow always overwhelm truth, even when they are so contradictory that any effective action becomes impossible. A kind of national, psychological paralysis occurs. Nothing can be done because one belief contradicts another, and for some unknown reason, the facts don't matter. Even during those times when an overwhelming belief does compel action, Americans rush headlong into it neglecting the adage that headlong often means wrong.

The number of programs enacted by the Congress that don't work is huge. The war on drugs which began in 1969 has shown no measurable results; yet it continues unabated and has resulted in destabilizing other nations, especially Mexico. Various immigration reforms have proven so ineffective that the people are turning to their own solutions. Tough on crime programs have been enacted numerous times without any measurable reduction in criminal behavior. Educational reforms have proven to be illusionary. Inconclusive wars have been and continue to be



fought. No one, it appears, ever wants to measure anything by its results. The nation continues to do the same things over and over again expecting different results, an activity Einstein described as insanity.

Paul Craig Roberts writes, "Today Americans are ruled by propaganda. Americans have little regard for truth, little access to it, and little ability to recognize it. Truth is an unwelcome entity. It is disturbing. It is off limits. Those who speak it run the risk of being branded 'anti-American,' 'anti-semitic' or 'conspiracy theorist.' Truth is an inconvenience for government and for the interest groups whose campaign contributions control government. Truth is an inconvenience for prosecutors who want convictions, not the discovery of innocence or guilt. Truth is inconvenient for ideologues." Unfortunately he casts the blame on the characters of people: "economists sell their souls for filthy lucre. . . . medical doctors who, for money, have published in peer-reviewed journals concocted 'studies' that hype this or that new medicine produced by pharmaceutical companies that paid for the 'studies. . . .' Wherever one looks, truth has fallen to money."

Honoré de Balzac said, "behind every great fortune lies a great crime." So too, behind every dumb practice lies a dumb idea.

This debasement of truth stems from two misguided beliefs that many Americans hold. They affect much of American society and define the American psyche. One belief is that the truth emerges from a debate between adversaries. The other is the belief that everyone has a right to his/her own opinion.

Many American activities are based on these beliefs. In law, the system is called adversarial. The prosecutor and defense attorneys are adversaries. Each side presents its evidence and the truth is somehow supposed to emerge. In journalism it is called balance. Two adversaries are asked to give their sides of an issue, and the truth is somehow supposed to emerge. In politics, it is called the two party system, where the majority party and the minority party, often called the opposition, are adversaries who present their sides of the issue. Again, somehow it is believed the truth will emerge and effective legislation will then be enacted. But it doesn't work, never has, never will.

Suppose two people who lived in the same community at a specific time in the past are talking about the weather on February 14th of some year. One says, "We had three inches of snow that day." The other says, "No, we had heavy rain and flash flood warnings." Who is right? Unless someone checks the weather bureau's records, the argument can't be resolved. And what if the weather bureau's records show that the weather on that day was clear with no precipitation? Neither adversary is right; the truth never emerges.

So do these adversaries have the right to their own opinions? The belief that everyone has a right to his/her own opinion is ludicrous. If your bank sends you a notice saying that you've overdrawn your account, can you counter with, "Not in my opinion"? If this maxim had any validity, truth and falsehood would have equal value. No dispute could ever be settled because the facts don't matter. Yet many in America seem to hold this view.

The point is that no debate between adversaries will reveal the truth if neither is willing to check the facts, or as is often the case in politics, just lying. But why would adversaries do that? In a legal action, because both sides want to win and will reveal only what is favorable to their sides. "As everybody knows, at least one of the lawyers in every case in which the facts are in dispute is out to hide or distort the truth or part of the truth, not to help the court discover it. . . . The notion that in a clash between two trained principle-wielders, one of whom is wearing the colors of inaccuracy and falsehood, the truth will always or usually prevail is in essence nothing but a hang-over from the medieval custom of trial by battle and is in essence equally absurd."

Peter Murphy in his *Practical Guide to Evidence* cites this story (likely apocryphal): A frustrated judge in an English adversarial court, after witnesses had produced conflicting accounts, finally asked a barrister, "Am I never to hear the truth?" "No, my lord, replied counsel, merely the evidence."

In politics, each side has a favored constituency to protect. In journalism, the journalist doesn't want to be accused of bias. In 2006, Dan Froomkin, former columnist at the *Washington Post*, wrote, "There's the fear of being labeled partisan. . . ." But that fear would be dispelled if journalists checked the facts.

Listening to politicians or pundits debate issues should prompt listeners to ask, "Am I never to hear the truth?" The answer would always be the same, "No, just our opinions." Yet basing public policy on the opinions of journalists, pundits, politicians, and even jurists is a hazardous endeavor. Since everyone has a right to his/her own opinion, why should anyone care about the

opinions of others? None of us should, but somehow the establishment believes we do.

Consider so called experts, for example. Can two “experts,” each with different points of view really be experts? “Expert” economists contradict each other all the time. One “thinks” this and another “thinks” that, but neither “knows” anything. Writing teachers routinely tell students, “Don’t tell me what you think. Tell me what you know.” Apparently our economists never studied composition. Harry Truman once said, “If you took all the economists in the world and laid them end to end, they’d still point in different directions!” Right up until the economic crash of 2007, experts were telling us that “the economic fundamentals were sound.” After the crash occurred, the logical thing to do would have been to conclude that the fundamental economic indicators were misleading at best and shouldn’t be relied upon. Yet three years hence, economists are still basing their conclusions (estimates, opinions) on the same fundamental economic indicators. But suppose a chef had an oven that consistently undercooked his baking. Would s/he continue to rely on the thermostat’s readings or would s/he replace it? How can such people be considered experts? Nevertheless they are.

Republican politicians, political consultants, and political commentators are fond of saying that Social Security was never meant to serve as a retirement program but only as a supplement. Ed Rollins made this claim on CNN even though the claim can’t possibly be true, not even in one’s wildest imagination, and Ed Rollins and others should know it. Social Security was signed into law in 1935, but in the 1930s, fewer than 25 percent of workers were covered by private pension plans. So exactly what was Social Security supposed to supplement? Only the pension plans

of this 25 percent of workers? What about the 75 percent of workers not covered by private plans? Social Security certainly applied to them too, but they had no private plans to supplement. Even by 1960, only about 30 percent of the labor force had private pension plans, which means that 70 percent had no plans to supplement, and 1960 was a good year. Surely, in the 1930s Social Security was not meant to supplement personal savings, since there were hardly any, and IRAs were not authorized until 1974. Yet Ed Rollins, politicians, and political consultants are still considered “experts.” No interviewing journalist ever questions their veracity even when all s/he would have to do is look up some facts.

Military officers, especially generals, are often cited as experts. But for every general who wins a battle there is another on the other side who loses. Is the losing general an expert too? And what general, facing a upcoming battle would have the integrity to say he can't win it?

By calling people with opinions experts and relying on adversarial debate between them, not only is the language debased, so is thought. Conclusions drawn from false premises are always false. Just as something cannot be created from nothing, truth cannot be revealed by falsehood. Belief never yields knowledge, but questioning belief often does.

Public policy based on mere beliefs or opinions sooner or later crashes headlong into the wall of reality causing disastrous consequences, for in the end, the truth cannot be denied. “Trust, but verify,” a phrase often used by Ronald Reagan when discussing relations with the Soviet Union is a translation of the Russian proverb *Доверяй, но проверяй*. Perhaps better maxims

would be, “Reject when suspect” and “Belief brings grief.” Yet the fundamental question that goes unanswered is why so many people continue to trust all those “experts” who have shown themselves to be inveterate liars? Has the populace really become that dumb? If the truth is emancipating, the false is enslaving. Indeed Americans are serfs ruled by an oligarchy devoted to the promotion of dumb ideas.

## LEARNING WITHOUT QUESTIONING IN AMERICA: THE SUNDAY SCHOOL SYNDROME

*“Clinging to one’s opinion is the best proof of stupidity.”  
– Michel de Montaigne*

Readin’, writin’, and ‘rithmetic don’t occasion much questioning. But subjects like history are another matter! Learning history, or anything else for that matter, can be likened to learning Bible verses if questioning is excluded from the process. This kind of learning without questioning is carried over to our colleges and universities where the problem becomes really severe.

Subjects are taught as if they were comprised of revealed truths. Hardly anyone ever questions them because questioning them is discouraged. So we end up with people who graduate with degrees under their arms who are no wiser than they were on the days they matriculated as freshmen. No new idea ever enters their heads. In this society, people who are learned are not educated. They are little different from hurdy gurdy monkeys, but we elect them to office. Such is the legacy of the Sunday School Syndrome. It yields the stubbornness of what are essentially stillborn minds. No amount of information conveyed can ever make a stupid person smart! So nothing fundamental will ever change until intellectual development rather than the conveyance of information becomes the principal goal of learning.

Every teacher who has tried to teach students an unconventional truth has met an obstinate student, the student to whom the conventional truth he matriculated with is the conventional truth he graduates with. Everyone who has tried to teach Ted Cruz knows what I’m talking about. Some claim that the hardest minds

to change are religious. I don't know how to amass any evidence for that but I suspect that there's a kernel of truth in the claim. Such minds are hard to change because of the way they develop.

In many homes in America's Bible Belt, children are nurtured in constrained intellectual environments. The only recognized book is the Bible, and children are told from early ages on that it contains the revealed word of God himself which not only is never questioned but is never even questionable. These children go or are taken to church three or more times a week where they are enrolled in Bible school and hear stories, often as outrageous as the parting of the Red Sea, that are never questionable. No one ever asks, or is even ever allowed to ask, How can that be true?

Much of early childhood education lends itself to this type of learning. Readin', writin', and 'rithmetic don't occasion much questioning. But history, for instance, is another matter! Mostly it is learned by rote. No one questions whether anyone was massacred in the Boston Massacre. The Sons of Liberty are never considered to have been a terrorist organization. Lincoln's sincerity in the Gettysburg Address is rarely questioned. Knowing that Lincoln delivered the address on Thursday, November 19, 1863 and being able to recite it mean nothing. Knowing if Lincoln was sincere when he included the phrase "government of the people, by the people, for the people" or if that phrase was a mere rhetorical flourish makes a world of difference. Learning history can be likened to learning Bible verses if questioning is excluded from the process.

Why have there been several wars after the War to End all Wars was won? No one ever asks. When books that raise questions are found in school libraries, they re often unceremoniously removed.



Nothing even remotely like “a search for truth” ever takes place. School is Bible school all over again only without the Bible (whose absence is often lamented).

This kind of learning without questioning is carried over to our colleges and universities where the problem becomes really severe. Questionable courses like economics, for instance, are taught like Bible verses except the verses are now referred to as models. Subjects are taught as if they were comprised of revealed truths. Hardly anyone ever questions them because questioning them is discouraged. So we end up with people who graduate with degrees under their arms who are no wiser than they were on the days they matriculated as freshmen. They can be likened to cans being filled with trash. No new idea ever enters their heads. In this society, people who are learned are not educated. They are little different from hurdy gurdy monkeys, but we elect them to office. No new idea has entered the halls of Congress in more than a hundred years; yet we wonder why nothing essential has changed. What fools we be!

Conventional wisdom is not wise. If it were, human beings would be solving problems rather than perpetuating them. People used to say the proof is in the pudding; if the pudding tastes three hundred years old, it is!

No subject is itself unworthy of study, but how it's taught matters. Different subjects need to be taught differently. Learning is more than the conveyance of information. Penmanship cannot be taught like reading. Reading cannot be taught like multiplication. Multiplication cannot be taught like literature. Literature cannot be taught like chemistry. Some subjects are taught to provide students with techniques; students learn how to

do things; other subjects are taught to develop minds. Americans, perhaps people elsewhere too, have never understood this and don't understand it today. Some people in Ancient Athens developed excellent minds; few today have minds that match them. These Athenians did not study a core curriculum or take standardized tests. Neither did Shakespeare, Tolstoy, Wagner, Madam Curie, Newton, Harvey, Einstein, and numerous others. Some "reformers" ought to have learned something from that! The "reformers" themselves did not study a core curriculum or take standardized tests. Why don't they ask themselves, How did we possibly learn anything without having done so? But no, questioning is not an American intellectual trait.

Even subjects like geometry can be questioned. If no mathematician had ever questioned Euclid's geometry, non-Euclidean geometry would never have been discovered.

The Europeans who settled America were not interested in developing anyone's mind. They had the good fortune of having come to America knowing everything. They wanted their children to learn what and only what they, themselves, already knew. Many still hold that view today. For instance, the Republican Party of Texas in 2012 included in its Platform the following paragraph:

### Knowledge-Based Education

We oppose the teaching of Higher Order Thinking Skills (HOTS) (values clarification), critical thinking skills and similar programs that are simply a relabeling of Outcome-Based Education (OBE) (mastery learning) which focus on behavior modification and

have the purpose of challenging the student's fixed beliefs and undermining parental authority.

So the colonists established school systems overseen by local people, that is, themselves. They did not then, and many do not now, want anyone telling them what their children need to know. Teach about man-made global warming? Not in our schools. Teach about evolution? Not in our schools. Teach about racial equality? Not in our schools. Teach the Decalogue? Yeah! You bet! So we're back to Bible school! When the Puritans established Harvard College, they did so not to develop minds but only to create a place where preachers could be theologically trained. No search for scientific truth there! What about now?

Politicians are often criticized for being "out of touch with reality." How "out of touch" they are is easily shown.

"Calling education a pillar of restoring the new economy, President Obama called for a recommitment to educating scientists and engineers, people 'who are building and making things we can export to other countries.'"

America never had such a commitment.

Oh, yes! When the Russians put Sputnik into orbit, Americans "reformed" the educational system and science became all the rage. Like the rest of America's frequent rages, it didn't last. When Americans tried to tell students that science was fun, telling them that scientific work was often boring and monotonous was omitted, but students learned that for themselves in short order. Science was never as chic as being a rock star or star athlete. Hopefuls have never been attracted to

science in numbers like those attracted to American Idol. In America, science is a flop. Five minutes of fame isn't.

So how "out of touch" are America's politicians? Look at the President's recommendation carefully. He has forgotten that Steve Jobs, Bill Gates, and Mark Zuckerberg are not scientists, engineers, or even college graduates. Had Steve Jobs been minimally scientific, he would likely be alive today. Has the President forgotten that the products these entrepreneurs helped bring to the market are mostly made in Asia and imported to America? Doesn't the President know that scientists don't build products; factory workers do? Doesn't the President know that his view of the economy is 19th Century Sophomoric rather than 21st Century Undergraduate? How far "out of touch" can one be? Well, pretty far if you are an American. Reality can't be encapsulated in pithy bible-like verses.

Perhaps the President really believes that the scientists working at CERN are building stuff to sell to the Prince of Denmark to be used to kill the Emir of Kuwait. I don't know! The foreign-trained scientists who discovered how to build an atomic bomb for America did not then become manufacturers who built and exported bombs to the rest of the world. American politicians did that! Meteorologists don't design, build, and manufacture weathervanes to sell to the rest of the world. What about archaeologists, astronomers, paleontologists, and volcanologists? Ah, yes, volcanologists! What products do they build and make to export to the rest of the world, Mr. President? What products, indeed? If this were not so stupid, it would be laughable! Indeed, America will not need more scientists and engineers until it begins to listen to those it already has like, for instance, its climatologists.

Most Americans, including Congressmen, the scions of business, and university professors do not understand science. Science, indeed all genuine knowledge, is characterized by the existence of irrefutable evidence; its claims can be shown to be true. If, in the search for evidence, proof is found that the claims are false, they are abandoned. People with unscientific minds fail to do one or the other of these two things. In fact, false claims that are not abandoned are associated with some jargon. Zombie claims are never abandoned by their stubborn adherents regardless of the strength of the evidence that refutes them. Cockroach claims are abandoned and then retrieved, often in an altered form. The result is the same-ignorance never dies. As Adlai Stevenson said, "Ignorance is stubborn!"

Take, for example, the claim of economists that supply and demand is a law. As evidence for it, they cite merchants and companies that raise prices when the supply is diminished or the demand is increased, as for instance, oil companies. The evidence they cite is true, but countervailing evidence can easily be found. Exxon-Mobil does often raise its prices when supply falls, but when the line of cars at gas pumps gets long, filling station operators do not usually run outside and raise the prices set in the pumps. So although supply and demand may be an often used business practice, it is not a scientific law. Many economic models are subject to the same criticism. Economics is not science; it is full of cockroach claims.

But this characteristic of science is not restricted to factual claims. It applies to policies too. When a policy that has a specific outcome as its goal can be shown not to work or even to be unworkable, scientific minds abandon it. Not political ones. In fact, political ideologies are founded on zombie ideas. A list of

such policies is easily constructed: The war on drugs, the legal system, and American foreign policy top the list. They should have been abandoned decades ago if not sooner. But they have not!

You see, America is a creedal nation as are most others. People are not merely irrational, they are anti-rational and anti-scientific. So what irony lurks in the minds of the President and those like him when they believe that this anti-scientific nation, without changing its ways, will be saved from its follies by scientists whom no one pays any attention to? What could be more absurd?

Such is the legacy of the Sunday School Syndrome. It yields the stubbornness of what are essentially stillborn minds. No amount of information conveyed can ever make a stupid person smart! So nothing fundamental will ever change until intellectual development rather than the conveyance of information becomes the principal goal of learning.

## LEFTISH PROFESSORS

The notion that there is political lopsidedness in academia tilted to the left is an old canard propagated by anti-intellectual ideologists who do not now and never had a taste for truth. And now, Patricia Cohen of the New York Times has written a piece titled, Professor Is a Label That Leans to the Left, about a study done by two sociologists, Neil Gross and Ethan Fosse, that is full of abject nonsense and comments from proponents of the right wing.

She writes this, either quoting or paraphrasing these sociologists: "Conjure up the classic image of a humanities or social sciences professor, the fields where the imbalance is greatest: tweed jacket, pipe, nerdy, longwinded, secular, and liberal. Even though that may be an outdated stereotype, it influences younger people's ideas about what they want to be when they grow up." How? Most students enter college without ever having seen any college professor. Never having seen a college professor, how could this "classic image" have influenced them?

Although she correctly points how this view has been manufactured and fostered by the American conservative movement, she fails to draw any conclusions from it. Conservatives, either religious or otherwise, are true believers. To them the truth is irrelevant, and if truth is irrelevant, the search for it and its acquisition is of no interest. When these people enter college, they do so to merely acquire techniques. Their questions are, how do I do that? and of what use is learning that? They rarely ask, is that the truth?

But what Ms Cohen and the conservatives who promote this canard fail to recognize is that the political orientations of most professors have no relevance to anything they do in the classroom. What difference would it make to students if a

professor who teaches mathematics were a republican, a democrat, a socialist, a communist, or even an anarchist? What about professors of Physics, Chemistry, Biology, Astronomy, Foreign Languages, English Grammar, Geology, and most other subjects? Who cares what they believe?

To all professors, liberal, conservative, libertarian, socialist, communist, or anarchist two plus two is four, H<sub>2</sub>O is water,  $e$  equals  $mc^2$ , the planets revolve around the sun, and the sun is not the center of the universe.

Professors teach what is known in their own subject-matter fields. How would knowing what their voter registration cards say further the conservative-liberal debate? (I even doubt that anything that can truly be called a debate exists.) There are just a small number of academic departments where a professor's political beliefs might influence his teaching. Notice, I wrote "might." Most professors, at least the good ones, can easily present the best arguments used by both sides with equal vigor. They can also present the criticisms. For some unknown reason it is assumed by the right that a scholar's beliefs trump his knowledge. Is that because their beliefs trump their knowledge? True believers already know it all; they can't be taught. The university is not a place in which they are comfortable because questioning their beliefs generates distress and places their self-interests in jeopardy.

The Western World's ideal of education stems from Classical Greece where Plato started the first real university. His ideals were the search and dissemination of truth, goodness, and beauty. If you study Plato's Dialogues you will discover just how hard he was on people's beliefs. He used the character of Socrates to demolish them.

Those who believe that universities should include the teaching of beliefs and ideologies are advocating the conversion of the



university into what is called, in the Middle East, a madrassa. Americans of late have been very hard on madrasses, complaining that they teach the ideology of Islamic jihad. Yes, they do. Which ideology of jihad does the American right want the American university to teach?

True believers never discover truth. It is only discovered by doubting what is commonly believed and trying to either verify or refute it. In that light, much ideology is not worth bothering about; no evidence can be offered for it one way or the other.

Some students enter college with open minds and a desire to know. Many don't; knowing does not interest them. And if anyone really wants to know how professors become leftish, read Bart D. Ehrman's *Misquoting Jesus*, where Ehrman describes how he, a student with a fundamentalist Christian background, found the strengths of his fundamentalist beliefs weakening as he learned more and more about how the Bible came to be.

In my career as a professor, I was aware of only one professor who used his classroom as a platform for his personal political beliefs. Contrary to what Ms Cohen might assume, he was an arch conservative. The students who took his courses were well aware of what he was doing; they spoke about it all the time, just as Mankiw's students of economics at Harvard have publicly described Mankiw's course as massive conservative propaganda.

No professor at the university I taught at ever made an issue of this professor's propagandish teaching. They didn't have to; they all knew that the bright students in his classes recognized it for what it was and that the dull students didn't matter. They weren't going to learn much anyhow. And that may really be what distinguishes leftish professors from rightish ones. The leftish ones allow students to draw their own conclusions.

Anyone who leaves college with the same beliefs had when he/she entered has wasted his/her money and time. What the

conservatives who have manufactured and propagated this leftish professor canard want to do is destroy the search for truth by falsely describing it as a political ideology. All they want to do is erase the distinction between knowledge and belief. They comprise, in fact, nothing but a modern day Papal Inquisition. The only reason this canard keeps popping up is that journalism is a label that leans toward stupidity. It will go away when journalists quit reporting it.

## LET SCHOLAR-ATHLETES QUIT THE CHARADE

Lewis Carroll, a logician better known for "Alice in Wonderland," held that a person is often convinced a course of action is right because he cannot think of an alternative. His dictum applies to the conflict over the place of athletics in higher education.

Few people realize how long collegiate athletic abuse has persisted. Football as we would recognize it was first played in 1875 by Harvard and Yale. From the start, Harvard viewed athletics as amateur while Yale viewed them as professional, and the problem of athletic abuses germinated quickly. As early as 1885, The Harvard Athletic Committee made attempts to control them and even banned football altogether.

Because those attempts failed, we delude ourselves by believing that similar attempts will succeed now, for as in 1885 money propels collegiate sports toward professionalism. The desire of the poor for increased opportunities is also a propellant. So no matter what academic requirements are mandated, ways will be found to circumvent and weaken them.

Strict standards will always be opposed by athletic departments pressured to produce winning teams and by the disadvantaged, and any compromise that produces weak standards will merely perpetuate the abuses.

Further, the place of the athlete in higher education is very peculiar. What ridicule would our colleges be subjected to if they required students with academic ability to demonstrate athletic talent by making the third team in some major sport in order to graduate?

Yet that is exactly what we subject the collegiate athlete to. What makes us think that a person with athletic ability but no demonstrated intellect belongs in a college and can graduate if he puts his mind to it?

Talents abound but no one possesses them all. The scholar-athlete is a rare species.

To recruit the athlete who lacks intellectual ability subverts the academic ideal, and to recruit the intelligent student who lacks much athletic ability makes a mockery of sport.

The marriage of athletics to academics has never been fully sanctioned. Athletic programs rarely get governmental financial support. This has itself brought about abuse. Coaches and athletic directors must be fund raisers. People who contribute want favored treatment. Losing teams have difficulty attracting backers, so coaches must produce winners, regardless of the moral and academic price that must be paid.

But it is facile merely to propose that athletes who cannot meet minimum admission standards not be allowed to matriculate. We all know that the only road to success for many of them runs through the college campus.

It's equally facile to propose that these athletes continue to be admitted. Not only are they under terrifying academic pressure, they often are exploited by the school for their athletic abilities. So the solution lies in building another road for the unintellectual but talented athlete to travel.

Models are readily available. Tennis clubs exist that promote youth-tennis, sponsor tournaments, and build champions. Major league baseball has fall-team affiliates where younger players can demonstrate their talents and acquire the experience needed to play in the big leagues. Why don't we have similar institutions for basketball and football?

Two reasons are evident: the money and notoriety our colleges get from this unnatural marriage and the money needed from private sources to finance such alternatives.

How can our colleges be convinced that they do not need this venal system to maintain the income acquired from major sports? And how can civic organizations and private entrepreneurs be convinced that alternative institutions can be profitable?

The fear of the entrepreneur is easy to understand. Minor league baseball is a money-losing proposition. Tennis, the exception, requires considerably less overhead, and the financial success of collegiate sports does not alleviate the fear, for fan support of collegiate teams is based more on institutional loyalties than on love of sport.

Without such committed spectators, high-overhead team sports are not profitable. But with sufficient private and civic resources, enough teams unaffiliated with colleges could be assembled to be compete with collegiate teams. If colleges played not only each other but non-collegiate teams as well, fans support could be sustained. Colleges could maintain their programs for true scholar-athletes and their incomes. And the nonintellectual athlete could demonstrate his ability without the pain of being where he knows, and we know, he doesn't belong. Academic

standards could be maintained, and athletes uninterested in college would not have to endure the academic duress and institutional exploitation they now do.

## LET'S NOT GET ALL MIXED UP

I have, since becoming a USABDA member about a decade ago, always felt that we were pursuing two somewhat contradictory goals-the promotion of ballroom dancing as a social activity and an effort to have ballroom dancing recognized as an international sport by achieving its inclusion in the Olympic games.

Although these may not seem like contradictory goals, two articles in the Mar/Apr edition of *Amateur Dancers* have lead me to believe that they are. Helmut Licht's "Ignored and Bypassed" clearly conveys the qualms many social dancers have about imitating competitive dancers. Most people cannot see themselves either dressing as or doing the things in public that competitive dancers do. Most people lack the physiques needed to look good in such costume and would be embarrassed by performing the sensual movements Mr. Licht describes. Then there is the article by Carl Olson, "Becoming Involved," who laments the extreme difficulty of getting social dancers interested in taking medal tests in England. But taking medal tests requires the social dancer to dance like a budding competitive dancer, and most social dancers are not inclined to do that.

Here in Dallas/Fort Worth, we unsuccessfully tried twice in the past five years to rejuvenate our USABDA chapter even though the area has a very large number of social ballroom dancers. I know of no fewer than five thriving dance clubs in this area, and I would not be surprised if there were more. The dancers who are members of these dance clubs are, for the most part, not members of USABDA and have no interest in being members even though the cost of membership is minimal, almost trivial, in comparison to what they pay to belong to their various clubs. Why?

Furthermore, anyone who does social dancing and also keeps up with the competitive dancers in this area quickly notices that the competitive dancers hardly ever show up at social dancing events. Why? The reason for both of these conditions is that social and competitive ballroom dancing are two vastly different things, requiring different abilities and personalities.

Social dancers must deal with small floors and many dancing couples; competitive dancers always dance on large floors with few dancing couples. Social dancers do not dance according to rules, not even the most basic line of dance; for them, anything goes. Leading and following and floor craft dominate the dancers' minds. Competitive dancers do everything by rule, especially in international style dancing. They dance to choreographed routines that are well practiced and memorized. Leading and following really have no part to play since both dancers always know exactly what the other is going to do. And, with few couples on a large floor, floor craft doesn't come into play much either.

Some months ago, while browsing in a used book store, I came across two volumes on dance written by Agnes DeMille. In one she writes, "It is rare that a single person effects a new style. But at the beginning of the twentieth century, one man did. Vernon Castle, long-legged, slim, and divinely skillful, together with his willowy and lissome wife, Irene, became the rage of the Western world, first in Paris in 1911, then in New York in 1912. They invented many new steps and advertised them in public exhibitions of ballroom dancing. Although they were professional entertainers, their dances were designed to be copied by ordinary people and to be danced everywhere. And they were. . . . The



Castles danced in contemporary clothes, not in costumes; they were the first performers in one hundred fifty years to do this."

If this reporting is true, the Castles make a stark contrast to today's professionals.

I don't believe that a woman watching Irene Castle dance would have said that she looked like a cross between "an acrobat and a hooker," to quote from Mr. Licht's article, nor would she have been embarrassed by Ms Castle's movements, and therein lies the rub. Competitive dancing is not just ballroom dancing at a higher level. It requires a mixture of talents. It is not just dancing; it is also acting. It not only requires the ability to move in certain ways, but also to pretend. And it also requires a tinge of exhibitionism; a desire to show off. Most people do not have this combination of traits. When they go dancing, they don't want to act, to be watched or judged, and they do not want to show off. They just want to have a little fun, and school figures, medal tests, costumes, and routines, which would require practice and memorization, would only dampen their interest in dancing.

This is the answer to Mr. Olson's dilemma and the explanation for the reaction Mr. Licht's group had to a professional ballroom dancing exhibition. Just because many of us enjoy attending dramatic presentations doesn't mean we would enjoy being on the stage. The same is true for those who enjoy social dancing, and we make an egregious error when we mix together social and competitive ballroom dancing and assume that just because a person enjoys doing one, he or she must also enjoy doing the other.

## LYING ABOUT LYING ABOUT CLIMATE CHANGE

Alan Caruba, in a piece titled *The High Cost of Climate Lies*, which is available at [tries to counter the claim that human action is responsible in some measure for climate change](#). He cites a number of scientists who are critical of this claim. One of them is Dr. Vincent Gray, a New Zealand-based climate scientist, but the reasoning he cites is very curious. Dr. Gray, he writes, claims that "No average temperature of any part of the earth's surface, over any period, has ever been made." And so, "If the earth's average temperature cannot be determined, how can you know that it's dramatically heating? How can you predict anything about an unknown?"

The curious thing about this reasoning is that averages are phantom numbers that nothing ever depends upon. What matters so far as climate change is concerned is not whether the average temperature of the earth is rising, but whether the temperature at the poles and on mountain tops where glaciers are located are rising. For if the ice and snow at these places melts away, humanity is in for some difficult times. That a recognized scientist should make a claim based on the unknown average temperature of the earth is dubious at best. Either Mr. Caruba has misunderstood Dr. Gray's claims or Dr. Gray's recognition as a prominent scientist is questionable.

That the earth's average temperature is irrelevant can easily be demonstrated. Consider the following sequence of ten terms: 1, 3, 5, 7, 9, 10, 8, 6, 4, 2. The average of this sequence is 5.5. Now consider this sequence: 3, 3, 5, 7, 8, 9, 7, 6, 4, 3. The average of this sequence is also 5.5. Now suppose the first and last terms in the both sequences represent the temperature at the poles before and after global warming was noticed. Clearly, the temperature at the poles has risen while the average temperature has remained the

same. As a matter of fact, it is easy to show that the temperature at the poles can have risen while the average has gone down. Look at this sequence: 3, 2, 4, 6, 8, 9, 7, 5, 4, 3. When this sequence is compared to the first, the terms representing the temperature at the poles have risen but the average had decreased to 5.1. Certainly any reputable scientist would understand enough about averages to have known the point that I have just demonstrated.

Mr. Caruba then writes this: "The IPCC has depended on computer climate models for its claims and there is now a volume of papers demonstrating how they have repeatedly been proven to be inaccurate. As Dr. Gray points out, if you cannot validate these models as actually capable of making predictions, no self-respecting computer engineer would dare to make use of a model for prediction."

But think about this for a moment. The National Weather Service uses computer models, absolutely none of which is accurate, to predict the weather. Yet those predictions, while never absolutely accurate are certainly useful. All of us rely on them every day. They tell us when to carry raincoats and umbrellas, when to wear heavier clothing, when to get sanding trucks and snowplows ready, even when to evacuate people from areas threatened by hurricanes. Would it be reasonable for anyone to suggest that we should abandon these predictions because the models have repeatedly been proven to be inaccurate?

It has always been a puzzle to me why people who are successful in some intellectual professions such as some branches of the physical sciences and all branches of the social sciences can engage in egregious reasoning when a thesis contradicts their cherished beliefs. Examples of such reasoning are easy to find, especially when the theses these scientists find objectionable have economic consequences. The critics of global warming are all worried about the costs of making the societal changes that

countering global warming requires, but they refuse to even consider the costs that will be incurred if global warming is real and nothing is done to reduce or stem it. These people, somehow or another, allow ideology to trump reason.

No one knows for sure, of course, what the cause of global warming is. Is global warming caused merely by changes in the earth or the solar system over which we have no control, or is it caused by the huge amount of greenhouse gasses that we have been pumping into the atmosphere? No one knows, but we'd better hope that our practices are at least a major part of the problem, for if they aren't, life on this planet may be doomed.

## **MEDICAL INSURANCE-EXPENSIVE, INADEQUATE, AND UNAVAILABLE-A TOTAL FRAUD**

People unschooled in logic don't realize that there are a number of different logics. Each is effective when applied to appropriate situations, and completely ineffective when applied elsewhere. In particular, some issues can only be understood in terms of the logic of analogy. One of these is medical insurance.

Consider homeowners insurance. Usually it covers replacement value, and lenders often require this level of coverage to protect the collateral that backs their loans. Insurance that doesn't cover replacement value really isn't insurance, since it ensures nothing. The same is true of comprehensive insurance on automobiles. No sensible person would purchase insurance that covered only a portion of the replacement of a home or automobile, because it would be useless. If one had only eighty percent coverage on a two-hundred thousand dollar home that was destroyed by fire or tornado or some other cataclysm, the insurance wouldn't pay enough to replace the home; the owner would be short forty thousand dollars, far more than most people could come up with. Although such insurance may be sold, only the extremely wealthy or the foolish would buy it. Yet that's what Americans are stuck with with Medical insurance. It rarely, perhaps never, pays the total cost.

Many procedures are covered to only some percentage of the cost. Some at fifty percent, others at eighty percent. So when a person needs a major medical procedure, even after paying monthly premiums for years to an insurance company, he is still often stuck with a bill for thousands of dollars after his insurance has paid its share. This isn't insurance; it doesn't eliminate a person's financial risk as other insurance does. In fact, there is good reason

to believe that the entire industry is a criminal enterprise engaged in a gigantic fraud on the American public.

Automobile insurance, because of its many different kinds of coverage complicates the comparison, but comprehensive coverage, the part that covers the vehicles replacement is perhaps the cheapest coverage involved, around three percent of the price of the vehicle according to my calculations, but medical insurance premiums are considerably higher than three percent of the cost of most medical procedures and the coverage is for considerably less than full.

Why is it any wonder that so many Americans lack coverage? Unless the coverage is part of the benefits package of an employer, the insurance is far too costly for the coverage provided. It's a scam.

## MEDICAL SAVINGS PLANS, PORTABLE HEALTH INSURANCE, AND OTHER IDIOCIES

When one considers the number of times that the American political establishment has enacted attempts to solve or even ameliorate problems with the American health care system, and then examines the reasons these attempts have failed miserably, one has to wonder if our Congressmen have the level of seriousness any solution requires. For if they claim to seriously want to reform the system but have been unable to do so, they are exposing themselves to a charge of incompetence, since the problems are not that difficult to solve. Other nations have long ago reformed their systems. Yet Americans still spend more on health care than the residents of any other country and get less in return.

A clue to why this has happened is to be found in certain completely idiotic ideas that have recently received journalistic notice.

We are being told, for instance, that we need to shop more carefully for the medical services we buy. An article I read recently in either the Dallas Morning News or the Dallas Business Journal, I don't remember which, told the story of a person who upon not feeling well went through an extensive sequence of tests, all of which turned up nothing. The implication was that the person would have been smarter to decline further testing after the initial tests proved to be negative, and that if we all did that, the costs of medical care would decline.

Two things about this proposal mark it as idiotic. First, the decision advocated is one that is easy to make in hindsight but impossible to make in foresight. Would anyone be making this proposal if the last battery of tests revealed a serious illness? I doubt it. Second, reducing testing is not likely to reduce medical

costs. Laboratories cannot be eliminated, and their operation, even with reduced testing, must be paid for. So if the number of tests handled by these laboratories is reduced, the likely result would merely be a rise in the price of tests.

Two ideas put forth by John Goodman, the founder and president of the National Center for Policy Analysis in Dallas, TX. are also too idiotic to warrant any recognition. He is credited as being the father of health "savings accounts." Yet it is difficult to see what such accounts would accomplish or how they could possibly be effective.

For example, isn't it necessary to know how much money such a plan would have to contain to provide anyone with health-care security? What is the average hospital bill, for instance? And how long would it take a family contributing say a sum equal to its current health-insurance premiums to accumulate that amount? And what would happen if a single episode wiped out the plan? What would this family be expected to do between that event and the moment when the plan would again contain a sufficient sum to cover the family's health costs? Go without medical care? That's not a solution. And what of all those people who lack medical insurance merely because they cannot afford any premiums? How could they ever be expected to contribute to such medical savings accounts? How would medical savings accounts help them?

And now Mr. Goodman has proposed portable medical insurance. A fine idea for those employed by some firm that offers such insurance and who moves from one employer directly to another. But what about the person who goes unemployed? What good does it do him? The last thing a responsible individual would want to do to such a person is increase his basic living costs. Yet that is what Mr. Goodman is proposing.



In offering proposals for the improvement of the American health-care system, it is important to keep the problem firmly in mind, which is that too many people lack access to the system because its costs are too high. And neither of the three proposals described above affect this problem in the least. As a matter of fact they worsen it, since the person whose medical spending plan goes bust now has lost his access too. The first idea described above is entirely unworkable, and the astute proposal for portable medical insurance affects only those already insured.

Because of the conservative ideology that many Americans hold, and because that ideology has more than its share of proponents in the Congress, Americans may not be able to solve this problem under any of the current circumstances, because there is only one way to reduce the system's costs: providers have to be made to realize that they must be willing to accept less.

Would that destroy any system of medical care?

We often hear that it would. We hear that fewer people would choose medicine as a profession and that pharmaceutical and medical equipment firms would cease to innovate. But those claims are dubious.

I don't know exactly when physicians began to earn incomes considerably higher than those of the ordinary working population, but I know it was sometime during the last half century. In the 1930s and 40s, becoming a physician did not guarantee wealth; yet, people chose medicine as a profession. Nurses and schoolteachers have never had the promise of wealth, but people have continued to choose these as their professions. Yes, there are shortages now and then, but there has never been an absolute lack.

And what of the pharmaceutical and medical equipment firms? Would they stop developing new products? Well, what would happen if they did? The pharmaceutical firms would transform

themselves into just so many more manufacturers of generic drugs, and the equipment firms would become manufacturers of equipment on whose patents they could not depend. And even if these firms chose this action, someone else would be sure to come along to do the research and inventing. Universities already do much of the original medical research and there is no reason why they wouldn't continue to do so. And many original inventions have been made in home workshops and garages. The prospect of wealth is not and never has been the only motive for creativity. The real upshot is that if wealth were removed from the equation, the result could very well be more truly dedicated people entering medicine and better drugs and medical equipment, for just as the greatest art has often been produced by the dedicated but impoverished artist, the best medical care system could also be the result.

## MORE ON JOURNALISTS FAIL WHEN REPORTING ON MEDICAL CARE

My recent post, *Journalists Fail when Reporting on Medical Care*, prompted the following reply from the journalist who wrote the article I critiqued:

"I appreciate your . . . observations. I also appreciate how expensive health care is, which is why I wrote the series in the first place. You'll recall that the consumer-driven piece used two extreme examples -- Austria's price labelling (sic), and Dr. Fickenscher's uninsured surgery. If consumer-driven health care is going to work, it will have to be somewhere in between those examples."

I sent him the following reply:

I appreciate your reply; however, the questions I raised clearly show that consumer-driven healthcare can't possibly work. It relies on two things--shopping around and healthcare spending accounts.

However no one has said just how much money a family would need in a healthcare spending account to guarantee its ability to pay for healthcare. And no one has asked these questions either: What happens if a large number of people buy into this scheme and find that they do not have sufficient funds in their healthcare spending accounts to pay for the healthcare they have received? Are we then going to allow providers to place liens on their homes or garnish their paychecks? And what if that makes families homeless or parents unable to provide adequate sustenance to their dependents? Either could result in a social disaster. Consumer-driven healthcare is a scheme fraught through and through with uncertainty and can only result in a reduction of the availability of healthcare to Americans.

Furthermore, it does not in any way guarantee a reduction in costs.

To understand all of this correctly, you really must put numbers to the claims and do the arithmetic, and no one advocating this scheme has done that. The reason they haven't? They know it won't work.

All this scheme amounts to is a surreptitious attempt to put the misplaced belief that competition reduces prices into effect in the healthcare system. Texans should know better after the fiasco involving deregulation of the electricity industry and its horrendous effects. Any close student of market-driven economics knows that competition only reduces prices if supply exceeds demand. So if healthcare is a scarce resource, as your piece states, that condition can't be met. The only people to benefit from such a scheme is the companies that provide, as part of an employee's compensation, a contribution to their employees' health insurance.

Theory may sound good, but without hard numbers, they can't be evaluated. Those advocating this scheme should be made to provide the numbers, and if they can't, these people and their ideas should be repudiated. Otherwise, a great deal of harm may be done to society. I also would like them to tell us how people are going to be expected to shop around when confronted with a medical emergency. If you ask, you'll discover that they can't tell you. They do not care whether the plan can ever work. But they know that if they can get enough of the right people to support it, their own financial positions will be enhanced at the expense and health of Americans.

There is a maxim that all people, but especially lawmakers and journalists, should always ask about any proposal: Who stands to gain? The answer always reveals the true motivation for the proposal. Clearly, consumers will not gain if a consumer-driven

healthcare is a scheme is put into effect. That should make us all suspicious.

## NOT ALL THE NEWS THAT'S FIT TO PRINT

This story was printed in the NY Times. What's wrong with it? Larry Langford, the former mayor of Birmingham, Ala., was sentenced to 15 years in prison and fined \$360,000 by a federal judge after his conviction on bribery charges. Mr. Langford was convicted of multiple counts of bribery after a federal jury found that he had accepted more than \$230,000 in cash, expensive clothing and jewelry as chairman of the Jefferson County Commission in exchange for steering \$7.1 million in county bond business to a prominent investment banker named Bill Blount. Blount and a lobbyist, Al LaPierre, were sentenced to four years and four months and four years in prison, respectively. Some residents expressed sympathy on Friday for the former mayor's predicament. At a barbershop in a predominantly black neighborhood where the owner had hung a sign in the window reading, We Support Our Mayor, Charles Hicks said he was disappointed by Mr. Langford's recent behavior but believed the former mayor was well-intentioned and was corrupted by wealthy businessmen.

Journalists were once taught to give the who, what, when, where, and why. All people want to know this basic information no matter what the subject. Writing teachers often tell students that they need to answer all the questions readers might ask. Every story may not have a who, what, when, where, and why, if it does, they need to be included.

So, Langford, the former mayor of Birmingham, Ala., was sentenced to 15 years in prison; Blount and LaPierre got about four. Langford was fined \$360,000. Were Blount and LaPierre fined? Don't know. Langford was convicted of accepting more than (how much more than?) \$230,000 in cash, expensive clothing and jewelry. Blount sold the county \$7.1 million in bonds. What

were Blount's commissions on this sale? Don't know. And did LaPierre get paid too? Don't know. If he did, how much did he get? Don't know. And who was the judge? Don't know.

Why is knowing any of this important? Well, what if Blount took home a cool million or more in commissions and wasn't fined? Langford took home \$230,000 and was fined \$360,000. Wouldn't that make you wonder about the fairness of this trial? And if so, wouldn't you like to know the name of the judge? Were the residents of Birmingham right who believed the former mayor was corrupted by wealthy businessmen? Did the judge aid and abet political corruption by issuing the heavier sentence and a fine greater than the accepted bribe on the corrupted official and issuing the lighter sentence and no fine on the corrupting businessmen? How many people would be quite willing to spend four years in prison if they could pocket a million?

When the legal system is unfair, justice is undone, and corruption is promoted. Is this why political corruption is so prevalent?

Mainstream American journalism has been subjected to the severest criticism by the American public. For instance, one recently posted piece states that there are five reasons that the mainstream media is worthless.

#### 1. Self-Censorship by Journalists

As former Washington Post columnist Dan Froomkin wrote in 2006: "Mainstream-media political journalism is in danger of becoming increasingly irrelevant, but not because of the Internet, or even Comedy Central. The threat comes from inside. It comes from journalists being afraid to do what journalists were put on this green earth to do. . . ." "If mainstream-media political journalists don't start calling bullshit more often, then we do risk losing our primacy, if not to the comedians then to the bloggers."

#### 2. Censorship by Higher-Ups

The Pulitzer prize-winning reporter who uncovered the Iraq prison torture scandal and the Mai Lai massacre in Vietnam, Seymour Hersh, said: "All of the institutions we thought would protect us -- particularly the press, but also the military, the bureaucracy, the Congress. . . . The biggest failure, I would argue, is the press, because that's the most glaring. . . ."

### 3. Drumming Up Support for War

Bill Moyers criticized the corporate media for parroting the obviously false link between 9/11 and Iraq (and the false claims that Iraq possessed WMDs) which the administration made in the run up to the Iraq war, and concluded that the false information was not challenged because: "the [mainstream] media had been cheerleaders for the White House from the beginning and were simply continuing to rally the public behind the President - no questions asked."

### 4. Access

For \$25,000 to \$250,000, The Washington Post . . . offered lobbyists and association executives off-the-record, nonconfrontational access to "those powerful few": Obama administration officials, members of Congress, and at first, even the paper's own reporters and editors. . . . The offer, which essentially turns a news organization into a facilitator for private lobbyist-official encounters. . . .

### 5. Censorship by the Government

Finally . . . the government has exerted tremendous pressure on the media to report things a certain way. Indeed, at times the government has thrown media owners and reporters in jail if they've been too critical. The media companies have felt great pressure from the government to kill any real questioning. . . . Dan Rather said, regarding American media, "What you have is a miniature version of what you have in totalitarian states".



To be sure, all of these criticisms are quite valid, but there are two more.

The mainstream media is not today and never has been exclusively devoted to "news." Newspapers have always been a hodgepodge of news, sports, opinion, entertainment, health, gossip, human interest, do-it-yourself, and even puzzles. When news went video, all of these were carried over. The evening news is not about "news"! And the temporal constraints of television news reduce reporting to nothing more than a series of sound bites.

Finally, there's just plain bad reporting as exemplified by the story that begins this piece.

No, not all the news that's fit to print by any means. Not at the NY Times or anywhere else.

## ON INTELLIGENT DESIGN

This past Sunday, September 4, 2005, the Dallas Morning News ran a piece of yours defending Intelligent Design, and as a Ph.D. with twenty-two years of experience teaching Philosophy and Logic in all of its known forms in university classrooms, I read it with interest. I'm sorry to have to say I was gravely disappointed. I would think that a writer presenting such a piece would have as his goal the desire to convert the suspicious, but doing that requires intellectually honest material, and I find none in your piece.

Your piece fills approximately 28 column inches. Here's how they break down. Seven and one-half inches of instances about professors being discredited by the opponents of Intelligent Design. I don't know what to make of this, for my experience has taught me that colleges and universities have their share of incompetent professors, and it is not clear from what you say about any of those you mention that their advocacy of Intelligent Design is the only reason for their troubles. But even so, these seven and one-half inches merely amount to an ad hominem argument, and since that form of argument has been known to be invalid since at least 400 BCE, only a scoundrel or a grossly ignorant person would use it.

Another five inches is filled by your explanation of a second and third misunderstanding of what the proponents of Intelligent Design are seeking to accomplish. But what such proponents wish to accomplish has absolutely no bearing on the validity of the theory.

An additional six inches comprises an attack on the opponents of Intelligent Design for not investigating the proponents claims. But you haven't made clear that there is anything to investigate. And your piece ends with a seven inch peroration citing the many

scientists who express skepticism about the adequacy of the Theory of Evolution. But attacking that theory does not amount to support of Intelligent Design.

So what have you given us? About 26 column inches of absolutely irrelevant and ineffective discourse. And what is in the remaining two inches? Merely two unsupported claims: (1) Intelligent Design is not based on religion, and (2) that "the theory proposes that many of the most intricate features of the natural world . . . are best explained as the product of an intelligent cause rather than an undirected process like natural selection."

What evidence do you offer for either of these claims? I find none. You state that Intelligent design is a scientific inference based on empirical evidence. . . . What is the inference? An inference is drawn from premises. What are the premises?

For instance, consider the following four claims that might be made to explain the destruction caused by hurricane Katrina.

1. This destruction can be best explained by Gods wrath on the heart of America's Bible Belt for having elected George Bush president. (An Old Testament prophetic claim.)
2. This destruction can be best explained by the stupidity of people who would build a city on ground below sea level which is also surrounded by bodies of water on three sides.
3. This destruction can be best explained by the failure of governments on all levels to build the flood control projects that have been proposed over many decades.
4. This destruction can be best explained by calculating the force that 160 mile/hour winds and a twenty-two foot high storm surge inflict on structures of various kinds.

For which of these claims can we cite evidence? Only the latter three. And I won't even get into what would be required to determine which is best.

The evidence for the second would be the topography of the land and waterways and the fact that people did build on that topography.

The evidence for the third would be a list of all the proposed projects and an indication of which had and which had not been built.

The evidence for the fourth would be the mathematical calculations involved.

All of this evidence is easily accumulatable and verifiable. There is no argument about any of it. This evidence is factual. It is not mere observation. One cannot say, gee, it looks like it was made by some intelligence.

So as far as misunderstanding goes, you appear to misunderstand science altogether. Not surprising for a political scientist (a misnomer if there ever was one).

No, Darwin's theory is not entirely correct or sufficient. But neither were Newton's laws of motion nor Einstein's theory of relativity. But insufficiency didn't invalidate either. And the insufficiency of the Theory of Evolution does not invalidate it. There are piles and piles and piles of evidence that support it. But you haven't offered even an iota of evidence to support Intelligent Design. All you have given is an observation that goes something like, gee, when I look at the natural world I see the hand of an intelligent designer. Ancient peoples looked into the sky and saw animals, and people, and even gods. How many of us see them today?

That of course doesn't give me or anyone else anything to investigate. Because when we look at the earth from our vistas, it looks flat, but we know it isn't, because Foucault proved it with his pendulum experiment. So the fact that you and others see a world that looks to be the result of intelligent design means nothing.

And, if I told you what the failures of this piece makes you look like, you would not like it one bit. But I know that I don't know nearly enough about you to draw any conclusions about you from this one piece, so my only conclusion is that neither you nor anyone else will ever convince anyone that Intelligent Design is a viable theory by writing articles like yours. The most you can hope to do is preach to the converted, but that won't validate your view or end the controversy.

## ON THE COSTS OF MEDICAL CARE

The April 21-27 issue of the Dallas Business Journal contains a sequence of articles on the medical care crisis in America. So many words; not a single thought, even though the articles contain all the information one needs to identify both the source of the problem and its only possible solution. The articles make clear that medical insurance is so costly that many people cannot afford it and many who can choose instead to spend the money elsewhere, mostly because medical insurance costs have increased 73 percent in the last five years alone while inflation has increased a mere 11 percent. In addition, the articles catalog various proposals and techniques hospitals are using to cope with the squeeze they are being crushed by because of the care given to the vast number of uninsured or underinsured patients.

First of all, the various proposals and techniques hospitals are using to cope with the problem all seem to be attempts to get more money into the system--from government at all levels, charity, and patients. But this is disingenuous for two reasons. We know, for one, that Americans pay more per capita for medical care than the residents of any other nation, and some of these other nations manage to provide comprehensive medical care to all. If other countries can do more for less, the only logical conclusion is that there is more than enough money already in the system. The problem isn't a lack of money, it's where the money goes. Furthermore, putting more money into the system won't provide a solution to the problem. If the cost of medical care is rising 14 or more percent a year, any combination of income sources that manages to pay the bill this year will be inadequate when next year's increases come due.

There is really only one solution to the problem, but people in the medical care delivery system won't acknowledge it or, as Mary Grealy does, only acknowledge it grudgingly. She is quoted as having said, "How can we increase access? . . . One of the ways we can do that is by reducing the cost." No, Mary, the only way we can do it is by reducing the cost; it is the only way we can get everyone to carry insurance and avoid the system failure that Dr. Ron Anderson predicts, and make the people that Britt Berrett is concerned about who buy BMWs but not medical insurance change their ways.

But, unfortunately, before any meaningful proposals can be made to reduce the cost of medical care, we really need to know where every dollar paid into the system goes. If Americans are paying more per capita for medical care than the people in other countries and getting less for it, we need to identify the sink holes into which that money is flowing. Yet I suspect very strongly that every segment of the medical care delivery system would resist revealing that information with their utmost political might, for I suspect that each segment has its own very special sink holes that must be kept secret to avoid the wrath of the American people. So, perhaps, reforming the system won't happen until the system brings down itself, which if my calculations are correct, won't take too many more years.

## OPEN LETTER TO THE MESQUITE INDEPENDENT SCHOOL DISTRICT

### *Prologue*

This letter was e-mailed to the seven members of the Mesquite ISD School Board (Robert Seward, Greg Everett, Cary Tanamachi, M.D., Gary Bingham, Kevin Carbo, Rita Crump, Randy Dobbs) and Dr. Linda Henrie, the district's superintendent on November 20, 2008. Each was invited to reply; none has. Either no one cared enough to, had the ability to, or had anything to say that might justify the actions described below. Anyone interested in the quality of education offered by the MISD or by any American school should be aware of the kinds of things our school children are being subjected to.

### Letter

I am a retired college professor with three grandchildren enrolled in the Mesquite ISD. All are good students by MISD measures and one is enrolled in Quest. But I want to tell you about some things I recently learned about MISD that everyone should know. Firstly, about two weeks ago, my wife came home with the trunk of her car fully loaded with things she needed help unloading. She asked our eldest grandson and one of his schoolmates for help, and one asked, "Where is it at?" When I heard that question, I asked the boy if he had ever been taught the difference between transitive and linking verbs. I might just have well been speaking Farsi.

Secondly, a few days later, my wife asked our granddaughter where her mother was, and she answered, "Her and Margie went to the mall." I was appalled.

Thirdly, the following Sunday, while having lunch with some members of our Sunday School class, I asked two members, a husband and wife who both teach in MISD, whether teachers



corrected students heard speaking bad English? Incredibly, both lowered their heads and said they didn't know. I wondered silently, how could they not know? Then one said, "You ought hear how the teachers talk in the break room."

Fourthly, our youngest grandson came home from primary school one day and said he spent the afternoon in detention. We asked him why. He said he was talking during lunch. When I asked, "Can't you talk during lunch?" he said, "We can't talk in class, in the hallways, or anywhere else." At that point I knew exactly why the two teachers in our Sunday School class said they didn't know if teachers corrected students' speech. Incorrect speech cannot be corrected if students are not permitted to speak, can it?

Fifthly, about a week later, my wife took our youngest grandson to a physician. While examining our grandson, the physician asked if he liked school. He answered, "No!" The physician told my wife that that was the answer he got from almost all of his school age patients, and added that he was fed up with the Mesquite school system. No wonder!

Speech is the foundation of all language. A person who cannot speak correctly cannot learn to read comprehendingly or write literately. A person who cannot read or write properly cannot learn. The environment in MISD is aimed at failure. If a learning environment is not relaxed and, at least, conducive of fun, it is not a learning environment at all. How can a child enjoy being in such a silent, restrictive environment six hours, five days a week? Why would any child want to go to such a place? Why is anyone surprised when students become truants and dropouts? Try requiring spectator silence at sporting events. How many people do you believe would attend? How would any of you to whom this message is being sent like having to spend your workday hours in such an environment week after week for twelve years? I

suggest you try living by this schoolroom code for just one week to see just how onerous it is. And every time you fail this self-test, put yourselves in detention where you are forced to do nothing for the rest of the day. Learn to deal with the boredom you are forcing on our schoolchildren. You'll learn a lot about what's wrong with MISD.

And how does detention contribute to learning? The classroom is where learning takes place. A child speaks, is taken out of the classroom, and placed in detention. People, detention is jail! Jails are not educational institutions, punishment is not a teaching method that any noted educator has ever recommended, and recidivism rates demonstrate that it does not alter behavior.

Ask yourselves, "My God, what are we doing to these children?" Ask yourselves whether you aren't guilty of intellectual and emotional child abuse? A parent who abuses a single child in far less abusive ways often is severely punished, while this educational system abuses thousands of children daily, year after year, stunting their intellectual and emotional growths, while those of you engaged in running this system get paid or honored for it. Aren't you ashamed? If not, consider this: USA Today has recently reported that "the United States now ranks a desultory 18th among 36 nations examined by the Organization for Economic Co-operation and Development. . . . Educators and economists alike bemoan the nation's lost excellence, linking the failure to make better use of the nation's human capital to both rising income inequality and growing insecurity among the hard-hit middle class." Schoolroom environments that are not conducive to learning are to some extent surely responsible for this situation. Even more shameful: South Korea ranks seventeen places higher on the list than the United States.

You know, huge conspiracies aren't what wreck the world, the accumulation of errors, failed policies, and little and big injustices

does. You all need to remember that the child you subject to this abominable system may be your own child or grandchild. When the ignorance you are promoting results in horrific consequences to either them or society, you can all blame yourselves. Then someone may intone, "May God have mercy on your souls." But I doubt that He will.

### Epilogue

In seeking ways to transmit this piece I went to the MISD website. It too was very revealing. It displays no biographies of board members. I found that strange. Applicants for almost any job are routinely asked to list their educational backgrounds and major courses of study if they are college graduates. But the board members of MISD reveal nothing that could be used to assess their qualifications for the job. Have any of them graduated from college cum laude? If not, they were at best mediocre students themselves. Even the superintendent's biography lists not a single academic subject she is schooled in (as a secondary education teacher, she taught business in MISD). Whether she ever worked in another school district is unclear, and in academic circles, "inbreeding" is usually frowned upon. Internet searches reveal that the seven member board is made up of one physician (most likely the most well educated of the seven), two who hold bachelor of business administration degrees, one retired MISD school teacher (no degree or subject specified), one insurance agent (no degree specified), and two others about whom no information can be found. Any reader can judge these qualifications for him/herself.

### Postscript

After adding a navigation paragraph to the beginning of this piece, I intend to post it on the internet. If any recipient wishes to reply, I will append any replies to the piece before posting it.

None has replied.

## OVERQUALIFIED

Every observant American worker knows enough to expect the company he works for to engage in some absurd business practices, but one of the most absurd is the practice of rejecting applicants who are deemed by the company to be overqualified. One recent job post I saw even stated explicitly, "Please do not apply if you feel that you might be over-qualified for the position." Yet I believe that if any of the people running these companies were asked whether s/he would prefer an overqualified surgeon or a barely competent one when needing extensive surgery, all would prefer the former. The same would be true of attorneys if s/he were accused of a serious crime or even of airline pilots when s/he needed to fly. When a service is required for some serious condition, nobody prefers the barely competent. Yet when it comes to employees, businesses often prefer the barely competent.

Businesses justify this practice by saying that the overqualified would be likely to continue seeking better jobs and would leave as soon as one was found, but this justification makes no mathematical sense. The number of higher paying jobs is considerably lower than the number of low or moderately paying jobs, so the chances of finding a better job are considerably lower for an overqualified worker than for a barely competent one. When companies are managed in ways that are dissatisfying to their employees, the chances are greater that the barely qualified will leave. And more likely than not, what causes workers to remain in the jobs they have is the degrading process of job hunting.

But this false justification is trivial in comparison to the horrendous economic and social consequences of the practice. When employees know that the overqualified are often excluded

from the competition, they have no incentive to get good at their jobs, since becoming good will merely make it more difficult for them to find jobs elsewhere if the need arises. Not being good at their jobs entails that the services and products they produce will be barely acceptable. As the quality of these products and services deteriorates, they become less marketable and command lower prices. Difficult to market, lower-priced products result in lower profits. In attempts to maintain profits, one alternative businesses have used is to abandon domestic production, moving it to low-wage countries which works only so long as consumer-income is sufficient to continue to purchase the products and services. Moving production off shore doesn't work when consumer income is insufficient, because even low-priced products and services are expensive to those without sufficient income. In short, the consequence of the practice is an economic collapse, which entails severe hardship and political instability of the kind that often destroys nations, for in the long run, mediocre products and services do not sell well.

Some economists are beginning to realize that the only effective stimulus needed to counter the current economic situation is job creation. But even that won't work well if the newly created jobs rely on the barely qualified. These practices led to the near collapse of America's Big Three automakers when faced with Japanese competition, and although these American firms have made efforts to recover, none has really succeeded. Could that be because barely competent employees are still the foundation for their businesses?

## PRIVATIZING SOCIAL SECURITY

Well, Scott, I had a difficult time making up my mind to send this message, but, in the end, I decided I had to. It is occasioned by your recent article about privatizing Social Security, although it is not limited to that issue. Although I find that many of your articles present real issues in a true light and accomplish an important public service, I generally disagree with about everything you say about investing in the market. And I have good reasons. It is not that I am against investing in the market. Far from it, but I believe that people should be truthfully informed about it, and I have found that people in your line of work always present sometime benefits as if they were certain benefits which, of course, is not the truth.

Let me begin with some absolute truths.

1. No absolutely safe way of investing in the market exists.
2. Any investor, no matter how careful, can lose his shirt.
3. If such a safe way of investing were known, almost all investors would utilize it, and the market as a source of capital for new ventures would collapse. And since all the money being invested by those using the absolutely safe method would be chasing the same securities, the effects of that are impossible to calculate.
4. Attributing attributes of the whole to its parts exemplifies an invalid form of reasoning named the fallacy of division that is taught in all introductory logic courses.

Now people like you are always either saying or implying that because the market has had returns of so and so over so over so period of time, investors can achieve similar returns. But I suggest that if you had a list of every person who invested in the market in any time period chosen that showed how much each person invested and what each person's returns were, you would find that practically no one got the returns indicated by the statistical

analysis of the market as a whole. Some people would have gotten far greater returns, and many would have gotten far fewer. So by not pointing out the obvious truths about investing and merely presenting its sometime benefits, you are in some way duping a lot of people. I do now and always will object to that kind of behavior.

Yet, I agree with you on many things. You say a lot that is true and do a lot of good. For instance, I don't disagree that the Social Security System needs reform. Certainly it does. But the alternatives presented always seem to be either leave it as it is or privatize. Any thoughtful person should be able to think of at least half a dozen other ways to reform it. But I don't see any other ways of reforming it ever being mentioned. And that failure makes me suspicious. It gives the appearance of gross intellectual dishonesty.

I have been a close observer of the Congress and other legislative bodies for fifty years. I even, for a short period of time, was a successful political consultant, having advised a number of successful state-wide campaigns (not in Texas) and for the U.S. Senate. And what this half century of observation has taught me is that neither state legislators or the Congress can be expected to pass legislation that solves any problems. For I, for one, cannot name a single piece of legislation enacted over the past fifty years that succeed in solving the problem it was aimed at.

Look at how many times the internal revenue code has been modified. Has it ever been improved? Tell me about it.

Look at how many times immigration law has been modified. Why do we still have a problem?

Look at how many times weve gotten tough on crime. Ha!

And to stop at just a few, look at the health care mess which gets worse every time a legislature gets involved.

You know, its amazing. There is one political party that is against everything that would better the lives of ordinary people. That party was against Social Security in the 1930s and is the chief proponent of its privatization now. That party is also against reform of the health care system. Of course, its members always claim that they are against these programs because this economy cannot afford them. But economies considerably smaller than ours afford such programs.

This party was making this argument before the events of 9-11, yet after 9-11, while arguing that we don't have the money for medical care, the Congress found a couple of billion dollars to bail out the airline industry, a couple of billion more for compensation of the victims of 9-11, a pile of billions for homeland security, and a yet undetermined number of billions for the wars in Afghanistan and Iraq. And Mr. Rumsfeld wants money to compensate the abused Iraqi prisoners; yet I never hear anyone ask, how can we afford all this stuff if we can't afford social programs? There's a dead rat in there somewhere.

In fact, I concluded a long time ago that there are a lot of dead rats in this political system. Its not that we can't afford programs, too many legislators don't want social programs, and when one is enacted, they do everything they can to see that it will not work effectively, because that provides them with arguments for its reform which really means abolition. And that's why our legislators cannot enact effective legislation.

Which brings me back to Social Security. Neither you nor the other advocates of privatization says anything about how it will work. You remember Satan. He's in those details somewhere. How does privatization differ from abolition? What happens if the market's return turn out to be no better than the current system in providing benefits? Tell me about it. It seems to me that there is only one way to privatize Social Security successfully. Let



the government guarantee an average market return on the part of Social Security invested in the market whenever the investments don't attain that level. I can just see the party alluded to above accepting that idea; yet that idea merely asks them to put their money where their mouths are. That's a sure way to catch a fraud which I believe the movement for privatization is. For if the proponents of privatization are so sure of its success, asking them to guarantee it should not be a problem. And if they are unwilling to do that, then they don't have the faith they proclaim in their proposals.

When I was, for many years, a university professor, I read the complete writings of V I Lenin. He was no dumb-bunny. And one sentence he wrote is relevant here. "When any piece of legislation is proposed, ask Who stands to gain?" In this case, I doubt very much that it is the common people.

## **SCHOOLS NEED RELIGIOUS STUDY, NOT PRAYER**

The current conflict over school prayer is no more than a whirlwind of hot air churning up clouds of dust in a desert, for the genuine issue is not school prayer but religion.

Religions arose in human history as means to goals. They are not and never have been ends in themselves. Religion for religion's sake never has been the marching motto of the religious. Paganism, for instance, arose in primitive societies because people felt the need for spiritual help in their efforts to attain specific goals. The ancient Greeks found their own unaided efforts to overcome the obstacles of life undependable and called upon nature's spirits (gods) for help. In return for this help, they pledged to perform specific acts (rituals) to propitiate these spirits.

Likewise, Abraham and God entered into a covenant that required that the Hebrews perform specific acts in order to receive God's promised gifts. And Christ's promise of salvation to Christians requires Christian action for its fulfillment.

A bountiful hunt, children, victory in battle, the reception of God's gifts and salvation are goals, and religions are means of attaining them.

No religion consists of merely a belief in the existence of God. A religion is made up of such a belief and a theology, a compendium of beliefs and specific acts, the fulfillment of which enables believers to attain a goal. As such, religion is a social institution, and religion as theology deserves to be studied. And

anything deserving of study should be able to find a place in the schools.

Whether prayer should find a place there is another question, however, for a student who prays without knowing the theological foundation for his prayer will get no closer to the goal the prayer is meant to produce than the student who doesn't pray at all, for such a prayer is an empty, meaningless formality.

Unfortunately, the advocates of school prayer are not advocates of religious studies, and it is not difficult to see why. Today's American youth would scoff at most theology.

For instance, Roman Catholic theology lists seven deadly sins to be avoided by believers: pride, covetousness, lust, anger, gluttony, envy and sloth. How many of today's students could be convinced that all seven of these are to be repudiated and their opposites-humility, charity, chastity, care, moderation, gratitude, and industriousness-be accepted?

Likewise, how many of today's students who nominally belong to Calvinist Protestantism could be convinced that God has predestined only some of them for salvation and has damned the rest?

Should prayer then have a place in the schools? Only if genuine religious study has a place there, for abstract prayer, prayer lacking the content of concrete acts, is no more effective than silence.

But, someone is sure to ask, why should a society made up of believers in different religions and even non-believers pay for

religious studies? And the answer is it shouldn't. But this does not mean that religious studies cannot have a place in the schools, for the churches within a school district that desired to have religious studies in the schools could pay the bill easily.

After all, they willingly pay for the religious teaching carried on by missionaries sent to foreign cultures. Is the need to religiously educate foreigners greater than the need to educate the youth of our own society? I fear that it is only the fear that today's youth would repudiate religion entirely if it were taught theologically by teachers who had to meet the same kind of educational standards that other teachers in the schools have to meet that prevents this solution to the problem of school prayer. Lacking faith in the substance of their own theologies, today's advocates of school prayer advocate a meaningless, empty, formal, ineffective ritual instead of substantive concrete belief. The significance of this advocacy is so meager that it is not worth taking seriously.

So let the advocates of school prayer get serious, replace their talk with money and fund genuine objective religious instruction in the schools or become silent, for mere prayer no more enhances genuine religious belief and concrete religious action than wishing does.

The advocates of school prayer believe that the only solid foundation of morality is religion and that the loss of religious fervor in our society has led to its moral decline. History does not verify this thesis, however, for even during the Reformation-a period of deep religious conviction-Luther himself confessed that "under the Papacy people were charitable and gave gladly, but

under the dispensation of the Gospel, nobody gives any longer; everybody fleeces everybody else."

All of the sins of our century were to be found in the 16th when religious fervor was at a peak. Religion did not make people better then. Why should it make people better now? This is the question the advocates of school prayer need to answer before this debate can be taken seriously.

## STUDIES FROM THE REPUBLICAN STUDY COMMITTEE

The Republican Study Committee (RSC) has posted two documents that it claims debunks assertions that there is no waste in Medicaid or the food stamp program. The documents themselves, however, tell an entirely different story. A sample of the kinds of items the documents consist of demonstrates this conclusively:

The document titled, Medicaid: Waste, Fraud and Abuse contains these items:

In a recent Florida case, the owner of a medical billing company was found guilty of over \$2.4 million in health care fraud, specifically in both Medicaid and Medicare. The individual submitted false claims to Medicaid for both physician evaluations and management services not actually rendered.

In 2000, the state of Kansas attempted to estimate the accuracy of its Medicaid payments. They reported an estimated payment accuracy rate of 76% with a margin of error of Kansas, in 2000, reported an estimated payment accuracy rate of 9 percentage points. The report outlined commonly identified errors, such as, claims for treatments and services that were unnecessary or not covered by Medicaid and over reimbursement for claims.

The document titled, The Food Stamp Program contains these:

In September 2005, a store owner pled guilty in a federal court to committing over \$1 million in food stamp fraud and money laundering. An investigation by the USDA Office of the Inspector General revealed that the individual illegally obtained over \$1.2 million in food stamp benefits in just five months.

In December 2003, a Chicago convenience grocery store owner was convicted of food stamp fraud. The owner paid more than \$575,000 in restitution for his actions, which included food stamp trafficking and laundering, in which he was helping a

disqualified food stamp participant receive profits from food stamp receipts.

The committee seems to be arguing that a bank, for example, that is the victim of robbery or fraud is wasteful. The items in the two documents describe not waste but criminal behavior, and thereby shift the guilt from the perpetrator to the victim, since the Republican Party advocates more controls on and reduced services in both Medicare and the food stamp program, which can be likened to telling a bank which has been robbed to reduce the number of its branch offices. What would ever lead anyone to believe that if the bank complied, bank robbery or fraud would decrease?

The RSC's posting of these documents is an exercise in prevarication. Calling a person whose house has been burglarized wasteful is such a deliberate misuse of the English language that it makes one wonder if the writers of these documents are illegal immigrants for whom English is a second language. If they are not, the only conclusion that can be drawn is that they are bald faced liars.

## THE AMERICAN HEALTHCARE SYSTEM- A DISASTER IN THE MAKING

The collapse of the American Health Care Delivery System becomes more and more evident as each day passes. Consider what we know:

1. Americans pay more per capita for health care than the residents of any other nation and get less for it than the residents of many other nations. (These numbers are regularly published in the Economist.)
2. A recent study published in the New England Journal of Medicine reports that U.S. patients receive proper medical care from doctors and nurses only 55 percent of the time, regardless of their race, income, education or insurance status.

The upshot is that Americans are getting their pockets picked for inadequate health care. How the American medical profession can be complacent about this is difficult to understand. One would think that the AMA and other medical groups would be engulfed in shame and howling like coyotes baying at the moon. But except for an isolated voice here and there, the group is mostly silent.

This collapse of the health care system has been in progress for some time. Its continuous degradation has been fairly obvious; yet no major influential group seems to want to do anything about it. Politicians can't because they are too easily influenced and beholden to heavy contributing special interest groups and fall prey to their lobbyists. The insurers won't because their businesses are at risk if the system changes, but why the medical profession isn't is a mystery.

What's worse, however, is that the ideas that have been put forth as way to improve the system have all been spurious.



An article recently published in the Dallas Morning News (Sunday March 26, 2006) states that "In recent years insurance, government and employer groups have praised health plans that transfer more of the costs to patients. The theory is that if consumers have financial skin in the game, they'll make better health care choices that ultimately will decrease overall costs to employers and the government." And John Goodman, President and founder of the National Center for Policy Analysis claims that "When people are managing their own health dollars, they cut down on unnecessary doctor visits, reduce unnecessary purchases of drugs and switch to generic drugs. In short people make common sense adjustments when they get to enjoy the rewards from more efficient purchasing of health care."

Now I don't know what evidence Mr. Goodman has to support this view; I suspect he has none, because I know that people do not act as he suggests when they purchase automobiles or groceries. Although it has often been proven that store brands are as good as and sometimes better than brand named items, a situation that is exactly analogous to brand named and generic drugs, most people buy brand named products. Why would anyone expect people to act differently when it comes to medical care?

But even if they were willing to act as Mr. Goodman suggests, few patients have the option of selecting the kind of medical care they receive. Physicians decide what drugs to prescribe, and most have been prescribing generics for some time now. Physicians also decide what tests to have performed. And has anyone ever seen a price list posted in a physician's office or hospital, so that people could make comparisons?

And what's this stuff about unnecessary visits to the doctor? The only people I know who do this are hypochondriacs, and they are not likely to change their practices under any conditions. Most of

the people I know hate going to the doctor, often put it off far too long when ill, and attempt to carry on their ordinary lives while spewing germs in the faces of everyone they meet, a practice which I am certain sends more people to physicians than having gone to the doctor in a timely manner would have.

But there is one class of unnecessary trips to physicians that Mr. Goodman seems to be unaware of. It is an absolutely wasteful category that is imposed by medical insurers. People with chronic conditions who are apt to have to take the same or similar drugs for the rest of their lives are required to visit their physicians at least four times a year to get prescription refills, regardless of whether they have some other ailment that needs attention, for these prescriptions are written for three month periods only. These are the only unnecessary trips to the doctor that I am aware of.

So this whole idea of patients making their own medical choices is not only a red herring, it is a rancid one.

The other idea in the article mentioned above, the idea that insurance, government and employer groups have praised health plans that transfer more of the costs to patients is even more insidious.

Patients and their cohorts in group medical plans have always not only paid all of their health costs, they have in fact paid more, for they have financed the overhead and profits of insurers. It is true that physicians and hospitals do provide some pro bono care, but they provide it to those indigent patients who have no insurance and little income. This care is not provided to insured persons or persons who can partially pay. Neither hospitals, physicians, nor insurers have a charitable fund from which patients can draw the difference between what they can pay and what is charged. Employers have no such fund either. The idea that employers help employees pay their health care bills has no foundation

whatsoever. Yes, employers do make contributions to their employee's health care plans, but it is not charity. An employer's benefits package is part of an employee's compensation package that the employee earns. Some companies regularly send employees summaries of what their true compensation is when the benefits they receive is converted into dollars. So how can one transfer more to those who already pay all unless you are out to pick their pockets?

Certainly, employers would like to reduce these contributions, but not out of a desire to improve medical care. These employers will jump at any opportunity to reduce employee compensation whether it involves healthcare or not.

Mr. Goodman and others suggest that as employers reduce their contributions to benefit plans, they have more to spend on wages. Mr. Goodman says, the employer is likely to pay more in wages and let employees buy their own insurance, for instance.

But this makes no sense. If an employer reduces his contributions to a benefit plan by so many dollars and then increases wages commensurately, the employer's costs are a wash. All that has taken place is a bookkeeping change. Of course, this then belies Mr. Goodman's claim that the employer is likely to pay more in wages. What in the world would make it more likely? The employer's costs are the same either way.

There is one more spurious idea, which, as I understand it, is Mr. Goodman's own bad seed brainchild--the Healthcare Spending Account. He says, "We developed the concept because many families live paycheck to paycheck and do not have extra money to pay a doctor." True enough! Perhaps too true! But if these families do not have any extra money to pay a doctor, where do they get the money to put into a Healthcare Spending Account? Mr. Goodman doesn't seem to see this contradiction. He then says that "HSAs make sure the funds are there when the need arises."

But how does it ensure this? How much money would a person have to have in a HSA to ensure that he could always cover his/her medical expenses? How long would it take a person to accumulate that amount? And what does he/she use to pay medical expenses in the meantime. I don't know what the answer is; I don't believe anyone does. As a matter of fact, I don't believe that there is such a sum.

I recently read, although I cannot put my finger on the source at this moment, that a person aged 65 would need \$600,000 in such an account to ensure his/her ability to pay his medical bills. If one assumes that a person begins such an account at age 25, he/she has exactly 40 years in which to accumulate that amount. That comes to a monthly contribution of \$1,250 a month. Of course, someone will point out that I am ignoring growth in the fund, which is true, but I'm also ignoring the fact that over these 40 years the person will have to make withdrawals from this fund for the medical expenses he/she has to cope with in the interim. How many people can afford to make such a contribution, which I would point out is in addition to retirement account investments, medical insurance premiums, and many others. How would those who live from paycheck to paycheck ever be expected to accumulate enough in an HSA to make sure "the funds are there when the need arises," to use Mr. Goodman's own words? I do not believe it is possible and if I am correct, Mr. Goodman's concept is a stillbirth when it comes to ameliorating the faults of the American healthcare delivery system. It's a non-starter that will benefit no one who now has a hard time paying for medical care.

How can anyone with a brain larger than a gnat advocate such an idea? There are only two possible answers. Either the person is incredibly stupid or he is utterly dishonest intellectually.

Mr. Goodman rightly says that "There is enormous waste in our system," but he is wrong in attributing it to patients. The system eats up money without providing any return to patients just as pandas eat bamboo. Insurance company profits and overhead, cumbersome and wasteful claims processing and payment systems, ridiculous salaries for company executives, and perhaps the most scurrilous the massive funds spent on lobbying--this is where the bulk of the waste is, except people like Mr. Goodman won't admit it because it does not fit their predilections.

Someone has suggested that some new ideas are needed. But that's the problem. There are no new ideas that will fix the system, and the longer we delay while seeking new ideas, the worse the system becomes.

There is only one solution to adequately financing the healthcare system. A way must be found to reduce its costs. No patchwork way of trying to find ways to pay current and future costs will ever fix the system, because costs grow faster than patient income. How to fix the problem of poor quality is another matter. But both of these problems can only be solved by the medical profession, and it seems reluctant to tackle the issue, (as a look at the AMAs web site demonstrates) and I believe I know why.

Once upon a time, business, and medicine in America is a business, was motivated by a maxim. Build a better mousetrap and the world will flock to your door. Somewhere along the way, businessmen discovered that they could get the same result by merely making people think they had built a better mousetrap. People in America no longer go into business to provide a product or service; they go into business to make money. The product or service is merely a means, and once people discover that they can make as much money by pretending to provide a product and service, the motive to degrade the quality of both is evident.

This mania afflicts much more in America than the healthcare system. It is the reason we cannot manufacture anything anyone else in the world wants to buy, anything that even many Americans want to buy. It is the reason for our unbalanced balance of payments, for the decline of great American manufacturing companies such as our automobile industry, and the great decline has just begun. What passes as a culture in America can best be described as a vulture.

You see, I am not optimistic. I don't believe that we will fix the healthcare system any better than we have been able to fix the problems of illegal immigration or illegal drugs and many others. We won't fix any of these because the problems are not what concern the groups that can bring about a fix; only making money does. Just as illegal immigration and illegal drugs make a lot of money for a lot of people, so too does the current healthcare system. The system does not exist for patients; we only pretend that it does.

Jesus said, Ye cannot serve both God and mammon. But the truth is, serving mammon precludes serving anything else.

## **THE CRISIS OF EDUCATION IN AMERICA: "HOW TO BECOME A SERF"**

*A society in which people exist for the sake of companies is a society  
enslaved*

*How to Become a Serf*

Man is a pathetic creature; a brute trying to be god but traveling in the wrong direction.

Educational systems now train workers to fulfill the needs of companies. A society in which people exist for the sake of companies is a society enslaved. But there's a deep problem with the notion that education should equal vocational training. To paraphrase a very famous and renowned person, man does not live by work alone. Indeed, the knowledge and skills needed to earn a living in a capitalist industrial economy are of little use in human relationships, and human relationships are the core of everyone's life. Schools devoted to vocational training provide no venue for teaching cultural differences, for trying to understand the person who lives next door or in another country. Value systems are never evaluated; alternatives are never considered. As a result, although we all live on the same planet, we do not live together. At best, we only live side by side. At worst, we live to kill each other. Education as vocational training reduces everything to ideology, our devotion to which causes us to reject the stark reality that stares us in the face, because our ideologies color the realities we see and people never get wiser than those of previous generations. People have become nothing but the monkeys of hurdy gurdy grinders, tethered to grinders' organs

with tin cups in hands to be filled for the benefit of the grinders. And this is the species we refer to as sapient. What a delusion!

For many years, I have been troubled by what I saw as the results of what passes for education in America and perhaps elsewhere too. Why is it, do you suppose, that one generation does not seem to get any smarter than the previous one? Oh, it may know more of this or that, but what it “knows” does not translate into smarts. In other words, why don’t people ever seem to get wiser? Why do they repeat the same mistakes over and over?

For centuries, an education was thought to be comprised of considerably more than one providing the skills and requirements needed to carry on a trade or profession. For instance, consider this passage:

“Education is not the same as training. Plato made the distinction between *techne* (skill) and *episteme* (knowledge). Becoming an educated person goes beyond the acquisition of a technical skill. It requires an understanding of one’s place in the world-cultural as well as natural-in pursuit of a productive and meaningful life. And it requires historical perspective so that one does not just live, as Edmund Burke said, like ‘the flies of a summer,’ born one day and gone the next, but as part of that ‘social contract’ that binds our generation to those who have come before and to those who are yet to be born.

An education that achieves those goals must include the study of what Matthew Arnold called ‘the best that has been known and said.’ It must comprehend the whole-the human world and its history, our own culture and those very different from ours. . . .”



This idea of an educated person was often summarized in the phrases, a Renaissance man, and un homme du monde. But these expressions are hardly heard any more. Educated people no longer exist. We are nothing but the monkeys of hurdy gurdy grinders, tethered to grinders' organs with tin cups in hands to be filled for the benefit of the grinders.

“Governor Rick Snyder wants to tie retraining programs to companies' needs . . . and encourage more Michigan residents to earn math and science degrees under an initiative aimed at making workers more competitive in the global marketplace.”

The hurdy gurdy grinder's monkey exists for the sake of the organ grinder; Governor Snyder wants Michigan's residents to educate themselves for the sake of companies. Workers are to fulfill companies' needs rather than vice versa. President Obama has said similar things.

But there's something wrong, something terribly wrong, with this picture. A society in which people exist for the sake of some non-human entity is a society enslaved. And this picture gets even more horrid with the realization that workers are expected to pay to acquire the required skills. Students are being asked to pay for the privilege of becoming serfs.

Living things in the natural world exist as ends in themselves. Everything they do is done for their own benefit or the benefit of their offspring. Horses in the wild do not acquire skills in order to perform tasks that benefit other horses. When a human being acquires a horse and trains it to perform a skill for the person's benefit, the person provides for all the natural needs of his horse. Horses don't come begging to be trained to be ridden. What kind

of perversion is the requirement that people should beg to be trained to be serfs?

But neither a hurdy gurdy grinder's monkey or a riding horse are educated; they are trained. There is no such thing as a Renaissance monkey!

Education in America, and perhaps other places too, is as fractured as shattered glass. The federal agency called the Department of Education's only power is the ability to cajole schools mainly by offering them money. There are public and private schools, and the public ones are governed by local school boards, the members of which are not even required to be able to read or write. State school boards exist to have some influence over local boards, but again, the power of the states is limited. Education in America is a local affair. The people on these school boards are the ones that control what is and how it is taught. For instance, creationism is often given equal standing with evolution. Students are often required to engage in practices that are clearly unconstitutional. All of this is done to suit the views of school board members, not society or even students.

Teachers are certified by subject matter. Perfectly good mathematics teachers may not be able to write literate essays. English teachers are not required to understand even elementary algebra. The schools do not employ *hommes de monde*. And what is true in the primary and secondary schools is also true in colleges and universities. *Les spécialistes* rule the classroom. Trained monkeys all!

Now vocational training works, of course, if people know what industries need workers and if workers want those jobs. But

often, especially in times of crisis, this knowledge doesn't exist. Yet there's a deeper problem with the notion that education should equal vocational training. To paraphrase a very famous and renowned person, man does not live by work alone. Indeed, the knowledge and skills needed to earn a living in a capitalist industrial economy are of little use in human relationships, and human relationships are the core of everyone's life.

Although the United States is often referred to as a multicultural melting pot, most highly developed nations today have multicultural populations. Different cultures embody different values. Those values often clash and erupt in violent behavior. If people understood these cultural differences, these clashes could be ameliorated. But schools devoted to vocational training provide no venue for teaching cultural differences, for trying to understand the person who lives next door or in another country. Various value systems are never evaluated, and alternatives are never considered. As a result, although we all live on the same planet, we do not live together. At best, we only live side by side. At worst, we live to kill each other.

Education as vocational training reduces everything to ideology. Religion is an ideology and no one ever questions a person's right to her/his own. Economics, although often touted as a science, is an ideology. Part of free marked economic theory is the belief that when an established industry falters and declines, some new industry will come forth and employ the newly unemployed. But nothing in economics can compel that to happen. This belief is akin to the belief in a Second Coming. It is purely ideological. Even science has become an ideology. People believe, for instance, that science will discover solutions to all of our problems. But again, there is nothing in science that compels that.

It is perfectly possible that, as human beings destroy their environment, science will be unable to correct the damage and that life on this planet will perish. Worse, ideologies contribute to human stupidity; our devotion to them causes us to reject the stark realities that stare us in the face. (See [here](#) and [here](#).)

So what is required if we are to make one generation smarter than the previous one? We need to educate Renaissance men who comprehend the whole human world, its history, our own culture, and those very different from ours. Vocational training will never produce such people.

John F. Kennedy was glorified when he said, “Ask not what your country can do for you, but ask what you can do for your country.” Shouldn’t he have been vilified? Do countries exist to benefit their peoples or do their peoples exist to benefit their countries? What good is a country that requires the sacrifice of its people?

Since the Enlightenment, it is generally agreed that legitimate governments are those that govern with the consent of their peoples. Does anyone really believe that people would consent to living in a nation that made it clear that the lives of most citizens would be fated to live for the benefit of the few who control the nation’s institutions? Isn’t that exactly what slavery is?

Analytical thinking, even when valid, can lead people down invalid roads, because analysis alone tends to overly simplify questions. When used to answer the question, What must be done to put unemployed people to work?, it leads to attempts to make education equivalent to vocational training. But when put into practice, it results in people who lack the ability to understand

their value systems and evaluate them properly. They end up being hurdy gurdy monkeys or, as Arnold put it, the flies of a summer, born one day and gone the next. If a nation's institutions do not exist to benefit its citizens, the institutions, not the people, are faulty.

In Classical Greece it was known that the unexamined human life is not worth living. Vocational training never presents people with opportunities to examine one's life; so people end up relying entirely on ideologies which have no intellectual basis and are often absurdly false, but "falsehoods are not only evil in themselves, they infect the soul with evil."

If human beings wish to endure, their ideologies must be subjected to serious criticism; otherwise, no generation will ever be smarter than its predecessors and continuing to refer to ourselves as sapient is a sheer delusion.

## THE HISTORY OF KNOWLEDGE: DARKNESS IN THE ACADEMY

*"As far as we can discern, the sole purpose of human existence is to kindle a light in the darkness of mere being." – Carl Jung*

Knowledge does not always prevail or even endure. When the Empire fell, the Justinian Code was replaced by Canon Law. The augustness of knowledge was transformed into heresy and mankind's curiosity was virtually extinguished. The age became dark. In the 11th century, people began to study rediscovered Greek and Roman texts. The darkness of the age had begun to lift but the lifting took seven hundred years and was never completed. Today, nothing ensures the light's endurance despite our pious accolades to learning and science. But anti-intellectualism never died; it continued to live in the dark alcoves of the religious institutions of the Middle Ages. That darkness came to America when its first universities were established. These universities were established as fundamentalist vocational training institutions. They were not established to further knowledge. They are madrassas, Sunday Schools, one and all. Now even this conservative educational system is under attack by ideological fundamentalists. Professors throughout the Western world, stock up on lanterns. The darkness is returning!

During the Golden Age of Greece, Athens was populated by enough curious people to cause Aristotle to write, "all men by nature desire to know." He was wrong, of course, but his compatriots certainly had an intellectual bent. Athens experienced a period during which the Parthenon was built and the city became the artistic, cultural, intellectual, and commercial center of what was then known as the civilized world. Among its

inhabitants were Socrates, Plato, Aristotle, Aeschylus, Aristophanes, Euripides, Menander, Sophocles, the sculptor Praxiteles, the orator Demosthenes, Herodotus, Thucydides, and others. A love of learning was prevalent. The Socratic method, consisting of asking questions until the essence of a subject is found by eliminating the hypotheses that lead to contradictions, was developed, and mathematics was expanded by Pythagoras, Euclid, Archimedes, and scholars such as Hipparchus, Apollonius, and Ptolemy. Learning was august, but it was eventually debased. War to further commerce was the enemy and it won. Knowledge does not always prevail or even endure.

Rome, by contrast, was never populated by enough curious people to earn it a reputation for its intelligentsia. The Romans were a plundering people. They took what they wanted by killing, if necessary. Rome had made Papal Christianity the state religion and when the Empire fell, the Justinian Code was replaced by Canon Law. The augustness of knowledge was transformed into heresy and mankind's curiosity was virtually extinguished. The age became dark.

In the 11th century, individuals from across Europe began to study the rediscovered Justinian Code. Soon, the study of Roman law and other rediscovered subjects spread, and Papal Christianity came into conflict with itself. The election of two claimants to the papacy created a schism: The split led to the establishment of new centers of learning and a decline in the authority of the Church. Learning began to reassert its place and eventually both the Renaissance and the Enlightenment emerged along with an interest in humanism. The darkness of the age had begun to lift but the lifting took seven hundred years and was

never completed. Today, nothing ensures the light's endurance despite our pious accolades to learning and science.

The darkness that enveloped the Dark Ages in Europe emanated from the monasteries, abbeys, and Scholastic universities of the Middle Ages. It consisted of the ideology that was thought to be the divinely inspired truth describing all things in the universe which itself was known as Creation. It tolerated no dissent which brought about heresy trials, executions, and the Holy Inquisition. Almost everything that would be considered learned today was suppressed. And even when the Church's influence declined and heresy trials and the Inquisition ceased to exist, vestiges of the darkness were kept secure in other institutional ways. The love of learning that emerged in Classical Greece never regained its augustness. Anti-intellectualism never died; it continued to live in the dark alcoves of the religious institutions of the Middle Ages. That darkness came to America.

Two hundred years before the Age of Reason, Massachusetts was a religiously conservative Puritan colony that repeatedly deported, cast out, and even executed people who disagreed with ideological Puritan doctrine. Although never formally affiliated with a church, Harvard college was established in 1636 by the Massachusetts legislature primarily to train Congregationalist and Unitarian clergy. The Puritans and Harvard Collage at that time can only be described as Christian fundamentalist. The college offered a classic academic curriculum altered to be consistent with Puritan ideology. This curriculum emulated that of Cambridge University, which itself was founded as a papal university. In short, Harvard was the Liberty University of the day, a Bible school, and its function was distinctly religious. It was not established as a place of universal learning. Harvard's



curriculum and students did become secular in the 18th and 19th centuries when it emerged as the central cultural establishment among Bostonian elites. Following the Civil War, the college and its affiliated professional schools were transformed into a centralized research university, but its professional schools then as now were vocationally oriented. The university's goal was and is to teach people to operate in an ideologically biased market economy as is shown by its history, influence, and wealth. It has the largest financial endowment of any academic institution in the world, and eight U.S. presidents have been graduates. Harvard is also the alma mater of at least sixty billionaires. It is America's Cathedral of the Moneyed Elite, and it promotes establishment ideologies rather than universal learning. It began America's addiction to schools of business administration, having founded the first one in 1908, twelve years before it established its College of Education. Only in the late 19th Century was the favored position of Christianity eliminated from the curriculum by replacing it with another ideology-Transcendentalist Unitarianism. Harvard is an institution where belief has always trumped knowledge.

But it's not that way anymore, is it? Unfortunately it is. Consider this view of how economics is taught at Harvard:

students at Harvard recently walked-out of Greg Mankiw's Ec 10 Principles class because of alleged ideological bias in his presentation. . . . Steven Margolis, also at Harvard, staged a "teach-in" about the Mankiw walk-out. . . . Margolis . . . discussed his attempt to offer an alternative Ec principles course at Harvard, which was rejected by the economics faculty-then accepted only as an alternative studies course. Students at Harvard, like students at many other schools, are not allowed to learn about

alternatives to the neoclassical model and get credits toward the major!

This is Harvard, the brightest light in America's Educational Pantheon, often criticized by conservatives as too liberal!

But it's not just Harvard. Yale was founded in 1701 to train ministers and lay leaders for Connecticut. Ten Congregationalist ministers, all of whom were alumni of Harvard, established the school. When a rift formed at Harvard between Increase Mather and the rest of the Harvard clergy whom Mather viewed as "increasingly liberal, ecclesiastically lax, and overly broad in Church polity," he praised the success of Yale in the hope that it would maintain the Puritan religious orthodoxy in a way that Harvard had not. Just another Liberty university.

And then, Leland Stanford, the founder of Stanford, visited Harvard's president, Charles Eliot, and asked how much it would cost to duplicate Harvard in California. Stanford became the Harvard of the West, just another conservative, fundamentalist university.

Its founding came in 1885 in an endowing grant which made several specific stipulations:

"The Trustees ... shall have the power and it shall be their duty:

To establish and maintain at such University an educational system, which will, if followed, fit the graduate for some useful pursuit. . . .

To prohibit sectarian instruction, but to have taught in the University the immortality of the soul, the existence of an all-wise and benevolent Creator, and that obedience to His laws is the highest duty of man. . . .

When Senator Stanford died in 1893, Jane Stanford took over. After Edward Alsworth Ross became recognized as a founding father of American sociology; she fired him for radicalism and racism. She also directed that the students be taught that everyone born on earth has a soul, and that on its development depends much in life here and everything in "Life Eternal." And she forbade students from sketching nude models in live drawing classes. So Stanford, too, embodied strong fundamentalist characteristics.

These universities were established as fundamentalist vocational training institutions by ignorant people. They were not established to further knowledge. They are madrassas, Sunday schools, one and all.

So Liberty universities are as American as Johnny Appleseed, and they apparently are self-reproducing. They exist throughout the United States, some openly, and some, like Harvard, Yale, and Stanford, covertly.

Vocational training in the American educational scheme was furthered by the founding after the Civil War of our land-grant colleges., and a number of institutions have been founded, like the London School of Economics, to openly promote market based Capitalism. For instance, Hillsdale College, which was founded in 1844, two hundred years after Harvard, describes itself as "grateful to God for the inestimable blessings resulting

from the prevalence of civil and religious liberty and intelligent piety in the land, and believing that the diffusion of sound learning is essential to the perpetuity of these blessings." "The College considers itself a trustee of modern man's intellectual and spiritual inheritance from the Judeo-Christian faith and Greco-Roman culture, a heritage finding its clearest expression in the American experiment of self-government under law." Hillsdale College is a major player in the history and development of American conservatism. Prominent conservative theorist Russell Kirk had a substantial career there, and the college houses and displays the personal library of Austrian economist Ludwig von Mises. Corporations have also donated huge sums to colleges and universities to promote orthodox, classical Capitalism: BB&T, for instance, the nation's 10th largest financial holding company, has pledged to give \$1.5 million over 10 years to the University of Georgia's Terry College of Business "to expand teaching and research into the foundations of capitalism and free market economics."

All of this seems to be contradicted by America's addiction to "science and technology." But America has no devotion to science and the proof is obvious. Evolution is dismissed because it conflicts with Biblical accounts of creation. Climate and environmental science are dismissed because they conflict with free market Capitalism. Not only are the sciences dismissed, the scientists engaged in them are reviled. What Americans are devoted to is the catalog of consumer products that engineers create out of scientific discoveries they had no hand in. The President says we need to "train" more scientists and mathematicians, but look at who the people are that Americans most admire-Bill Gates, the late Steve Jobs, and Mark Zuckerberg! Neither is a mathematician, nor a scientist, nor even a college

graduate. Our respect for science is as shallow as a dried up pond, and all we do is wallow in its mud. If Americans had a genuine respect for science, they would have a respect for scientific method which rejects ideas that can't be confirmed empirically. Americans, on the other hand, insist on continually implementing ideas that not only cannot be verified empirically, they can be shown not to work at all. List all of the practices carried on by Americans that do not work and have never worked. No culture with a respect for science would function this way.

When the President says we must "train" more scientists and mathematicians, does he mean we should educate more architects, whose profession requires knowing a lot of science and mathematics? I doubt it! What about anthropologists? Well no. It has been reported that Florida's Governor, Rick Scott, slammed anthropology majors as being unprepared for productive careers. Not the kind of science the establishment approves of! Well, how about astronomers or paleontologists? What industry wants just "scientists"? And I doubt that any corporation is seeking a batch of theoretical mathematicians.

I'm certain you get the point.

But as though all of this were not bad enough, even this conservative educational system is under attack by ideological fundamentalists:

After three days of turbulent meetings, the Texas Board of Education . . . approved a social studies curriculum that will put a conservative stamp on history and economics textbooks, stressing the superiority of American capitalism, questioning the Founding

Fathers' commitment to a purely secular government and presenting Republican political philosophies in a more positive light. The vote was 10 to 5 along party lines, with all the Republicans on the board voting for it.

That Texan politicians should do this is perhaps no surprise. But not a single professor, not a single dean, not a single chancellor/president, not a single professorial organization stood up and objected. Why were all of the dedicated scholars in America's system of higher education mute and invisible? What can one say about their commitment to knowledge? Even worse, the authors of these textbooks were more than willing to write them over to please these Texans. How's that for intellectual integrity? Just how dark is the darkness in the academy?

There's more:

Gov. Bobby Jindal recently signed a new law that sets up the largest voucher program of any state in the country. It is part of a series of "reforms" that Jindal says will expand school choice . . . and critics say is the broadest state assault on public education in the country.

Again America's professorial community and their administrations are nowhere to be found. What are they thinking? Have they tried to imagine what their classrooms will be like when their students have all been indoctrinated with fundamentalist ideology? What will these professors be able to teach? Which subjects that conflict with fundamentalist ideology will be proscribed? What kind of speech will be considered politically incorrect? In Europe, people can be imprisoned for denying that the official Zionist account of the Holocaust is true.

Will teachers of evolution become criminals if they deny that the Biblical account of Creation is true or if marriage doesn't consist of a union of one man and one woman? Why not? Churchmen did it to Galileo. Ask yourself how many German university professors bore the consequences of Nazi ideology, those professors who couldn't support Arian superiority?

Think it won't happen here? It's happening already.

For decades now, our public school teachers have been under attacks disguised as attempts to render them accountable. The department of education assumes that standardized test scores can reliably and validly be used to determine teacher-quality. Most researchers say the tests can't. They say that using test scores in this way is a negative consequence of the No Child Left Behind act. And for decades, the college and university community has been silent as their graduates have been vilified. But now,

The Education Department just tried - and failed - to persuade a group of negotiators to agree to regulations that would rate colleges of education in large part on how K-12 students being taught by their graduates perform on standardized tests. . . . When it became clear that some of the negotiators weren't going to go along with the basic outlines of the department's plan, department officials ended the negotiations over a conference call.

But don't think that is the end of the effort.

Now we can expect Obama administration officials to issue regulations doing what they want - without congressional

approval, or, for that matter, without having persuaded a group of negotiators they had selected themselves that what they want to do makes educational sense.

Of course, it was inevitable! If student scores on standardized tests can be used to determine the ability of their teachers, why can't the scores be used to determine the quality of their teacher's professors?

First the professors in teacher's colleges, then the professors in business colleges, then the professors in technical schools, and on and on. Backwardness never turns its head. Professors throughout the Western world, stock up on lanterns. The darkness is coming!



## THE LOOK

Students enrolled in commercial dance studios often reach a point of disillusionment when they get past the bronze or intermediate silver standards. They find that the figures and techniques they are spending so much time and money to learn are not usable when not participating in studio events. First, as they become more and more advanced, the availability of suitable partners diminishes, and second, the dance floors they come across are either too small or too crowded and do not provide the space required by the advanced figures and techniques. So they often ask, Why should I continue doing this? And this question deserves an answer which, unfortunately, studios rarely provide.

People often have the impression that ballroom dancing is ballroom dancing and that they ought to be able to dance ballroom wherever they go to dance. Few realize that the term "ballroom dancing" encompasses a number of different activities, of which three are most prominent-competitive dancing, showcase dancing, and social dancing.

Competitive dancing is what lessons are all about. In those lessons, you learn the school figures, proper footwork, carriage and shaping, gesturing, and leading and following. Having this knowledge is what makes a dancer capable of being competitive. And your studio will want to get you involved in competition dancing even if you have no desire to accumulate trophies or become a professional dancer.

Showcase dancing is somewhat different. Although it involves most of the elements of competitive dancing, it lacks the ingredients of leading and following, for showcase performers

dance to choreographed routines that both partners memorize. Neither ever has to wonder about what figure comes next. Showcase dancing is a form of theatre. As John Pattillo, F.I.S.T.D., has written, "if I view it as pure theatre, then leading and following go out the window, and being 'well rehearsed' will take their place." Your studio will also want to get you involved in showcase dancing even if you have no desire to be a performer.

Although these two kinds of ballroom dancing are different, the distinction is not always kept. In an effort to win at competition, many dancers choreograph heat-routines to lessen the chances of committing leading and following errors. When this happens, of course, the judges are prevented from judging the dancing and are forced to judge the performance which renders the whole idea of competitive dancing suspect, for if even only one couple in a heat is trying to demonstrate dancing ability, including leading and following, and the others are not, the heat as a competitive event becomes unfair and ultimately meaningless.

Nevertheless, competitive dancing and showcase dancing are theoretically different activities, and dancers should think of them as different.

Social dancing is, of course, considerably different from both competitive and showcase dancing. Social dancing is done for pleasure. Its only requirement is that pleasure is derived from it. No figure or technique is wrong, anything one does is proper. So if all you want to be is a social dancer, why bother with lessons? Many reasons could be cited, but I will discuss only one.

Most people who go dancing want to look good doing it. And in fact, looking good is the one common ingredient in the three

forms of ballroom dancing this article is about. Looking good on the dance floor has always been a major goal of dancers and has from the earliest of times been incorporated into the standards of dance. The Italian dance master, Domenico de Piacenza published a manuscript on dancing in 1416. In it he writes that "it is no good going in for dancing if you lack suppleness or are in any way deformed. Beauty and physical aptitude are of great importance." He claims that a dancer should be able to move "as smoothly as a gondola." Looking good is also the reason behind the use of costume and other "spirits of the feet" as they were referred to in the fifteenth century by dance masters. At least since the 1920s, the Imperial Society has had as one of its aims to get as much smoothness as possible into a dancer's movements. To the society, a good dancer is one who exhibits elegance and stylistic appeal, while too much flashiness is a taboo.

Everyone reading this magazine knows what I'm talking about. Good dancers have a certain look about them that the rest of us try to emulate. The look, of course, is impossible to define, yet we all know it when we see it. The question is, How do we get it? The answer is by mastering the basic elements of ballroom dancing that good teachers teach; all of these elements go into acquiring the look. The way you step on your foot-whether it be heel, ball, or toe-the way you use your ankles and knees, the way you hold and sometimes bend your torso, the way you hold your arms and keep your frame, the way you hold your head. These things are what make up "the look" and although you may be able to acquire this look without instruction, chances are you'll get it faster with instruction.

The thing to understand is that all of these elements can be put to use on any dance floor, large or small, crowded or empty, and in any kind of dancing with any partner.

Of course, some of these elements may have to be modified at times to fit specific circumstances, such as dropping a wide frame on an extremely crowded floor, changing a figure to avoid a collision or embarrassing your partner, shortening the length of your stride which may require changing a heel lead to a toe lead, etc. But changing a few of the elements that go into making up "the look" will not destroy the look if you know what you are doing and can maintain the others and resume the use of those altered when it is possible to do so. The look does not require the use of flashy or complex figures, although when carried out well, they can certainly contribute to it.

Unless your only interest in dancing is to be competitive, performing complex figures or even any figures at all should not be your goal. Acquiring the look should. And when you acquire it, you will find yourself being noticed and your dancing praised even if you are doing little more than swaying back and forth and from side to side on the dance floor, for people look at dancers, not their feet, and your elegance and stylistic appeal will be evident even if you are practically standing still.

## THE TRUTH ABOUT ENTITLEMENTS

Much is said and written about entitlements these days. The claim is that entitlements must be contained before the country is bankrupted. Entitlements in this context mean Social Security, Medicare, Medicaid, the new Medicare Prescription Drug Benefit, etc. That is, these entitlements are only those that benefit ordinary people. But the notion of entitlements is far broader than that.

Consider the foreign nations that feel entitled to American foreign aid. There is Israel, of course, a country that has felt entitled to American aid for over half a century. Not only can I think of no good reason for this aid, it allows Israel to keep from facing its problems with the Palestinians. Without the aid, Israel would have had to come to some accommodation long ago or would have perished. Then there is Egypt. The Egyptians feel entitled to American foreign aid merely because they signed a peace treaty with Israel. If a peace treaty with Israel was so valuable, why didn't Israel pay for it? Charity for the right reasons is a benevolent thing; for the wrong reason, it is vicious; and we should remember that charity really begins at home.

Then there is my favorite group of entitlees--the Congress. This group is made up of people, many of whom are independently wealthy far beyond the dreams of most ordinary people, and who have had other careers before entering the Congress. These Congressmen have their own set of entitlements which are analogous to those for ordinary people. But no one ever says or writes that these entitlements need to be curtailed? Why do these people feel entitled to retirement plans and medical benefits that are different than the ones for ordinary people? Why some of these people, especially the independently wealthy ones, even collect their salaries is beyond me. It seems to me that if these people sought public office out of a desire to engage in public

service, they would have been willing to do it for a dollar a year. But they are not, are they? And this calls into question their motivation. Do they want to be public servants or do they want to eat at the public trough? Is it any wonder why they are so easily corruptible by special interests?

And then there is the business community, especially the military-industrial complex. The Constitution gives Americans the right to petition the government for a redress of grievances, but the business community, after having bought off the Congress, petitions it for special status, a tactic that is nowhere sanctioned in the Constitution. I have no doubt that the business community feels entitled to its special treatment as a payback for its political support. Why aren't these entitlements in need of containment?

But the business community has enlarged its sphere of interest to include not only the national government but state and local government as well. It feels entitled to special financial consideration from state and local governments as an incentive to do business. The business community has pitted one locality against others for really what amounts to bribes in order to locate in a locality. These entitlements have been out of hand for decades; yet hardly anyone calls them into question.

These foreign, Congressional, and business entitlements far outstrip those that ordinary people depend upon, and they may very well have destroyed the nation. Government on all levels has been corrupted as has the economic system. Americans like to talk about the free market system, but no such system exists here. Businesses that receive special interest from government are not operating in a free, unregulated market. A governmentally provided business perk distorts the economy just as surely as certain kinds of regulation. Laissez-faire means government hands off, not government favors. And governmental favors,

advantages to the business communities that can afford the bribes, prop up and encourage inefficient business practices and waste resources that would be more effective if spent elsewhere.

So yes, entitlements are out of hand in America, but the out of hand entitlements are not those usually mentioned. This nation, like the other industrial nations of the world, could easily afford these ordinary entitlements if it put its priorities in order, for ordinary people don't require or demand nearly as much from government as foreign bloodsuckers, our corrupt Congressmen, and our corrupting businessmen do.

## THREE LESSONS IN AMERICAN STUDIES THAT AMERICA'S POLITICIANS FAILED TO LEARN

Thomas Jefferson wrote:

"When a man assumes a public trust, he should consider himself as public property."

"Of the various executive abilities, no one excited more anxious concern than that of placing the interests of our fellow-citizens in the hands of honest men, with the understanding sufficient for their stations."

"Offices are as acceptable here as elsewhere, and whenever a man has cast a longing eye on them, a rottenness begins in his conduct."

How many of America's problems might have been avoided had the writings of Jefferson been made a required course of study in our educational system?



## TRADING KETCHUP FOR A VEGETABLE AND FOOD STAMPS FOR PRESCRIPTION DRUGS

Some of you may remember when the Regan Administration tried to use ketchup as a vegetable in school lunches. Well, the Republicans have done it again. Yesterday I read that because our elderly will now have access to a prescription drug program, their food stamp allocations will be reduced, since they will now have more money to buy food with.

Hasn't someone forgotten that one of the reasons the prescription drug program was adopted was that so many elderly had to choose between food and prescription drugs? To alleviate this choice, the need was for an additional, not an equivalent, benefit. Now the choice faced by our elderly is even starker. If they select the benefit plan, they will do without the food, and if they don't, they will be no better off than they were before the program was enacted.

Republicans are very good at this taking away what they have just given. And they then use the resultant failure of the programs as evidence that federal programs don't work.

When publicized, the Regan Administration was embarrassed into reversing its policy. But I haven't heard any hue and cry over the new policy. I wonder why?

## UNEDUCATING AMERICAN EDUCATIONAL INSTITUTIONS

Two more books have been written about the failure of our universities to truly educate. (Derek Bok: *Our Underachieving Colleges*, and Harry Lewis: *Excellence without a Soul: How a Great University Forgot Education*.) Such books are published periodically in America, and although their theses are true, nothing changes, and that nothing changes requires an explanation.

There are two major impediments to building an authentic educational system in this country.

Perhaps the definitive study of our educational system is Richard Hofstadter's *Anti-Intellectualism in American Life* in which he shows how the American mind was shaped by early Protestantism, especially the Protestant notion that every person is qualified to interpret scripture on his/her own, which over time became generalized into the ideas embodied in two aphorisms well known and often cited in America: There are two sides to every story, and Everyone has a right to his own opinion. Both of these, of course, are false, but they are nevertheless accepted without question. When your banker tells you your account is overdrawn, try telling him that that's only his opinion, that it isn't yours, and that there are two sides to the story.

The other impediment is the American addiction to vocational training, which goes back to the founding of our earliest colleges. They were not founded as educational institutions, but rather to provide vocational training for members of the Protestant clergy. This tradition has not only flourished in the American university, it has been expanded into colleges of almost every vocation one can think of. And the creation of our land grant colleges after the Civil War, extended this tradition into the public domain. A & M

colleges of various names popped up everywhere. What there is of the Liberal Arts in these institutions is scant and came much later. How many students studying literature, philosophy, classical languages have been asked over and over again, What can you do with that?

Of course, it was and still is possible for a person to become truly educated in any of these institutions, but only if he/she has an extraordinary devotion to learning and has the ability to choose his/her own curriculum. The planned and canned curricula known as majors cannot produce educated people. These programs merely train people for vocations.

This American addiction to opinion is exemplified in the frenzy that our media engages in, the most current example being the arrest of a suspect in Jon Benet Ramseys murder. Without hardly a fact being known, opinion makers of almost every stripe are being asked to give their opinions on all aspects of the case. It is also exemplified by the television networks grilling programs such as Meet the Press and Face the Nation in which journalists who have no special knowledge of any subject question politicians and political appointees to governmental positions, all of whose opinions are known well in advance. Anyone who has read George Will's columns or the columns of any of the regulars on these programs knows exactly what their opinions will be on any question, and no one learns anything by listening to him or the others express their views every Sunday morning. The same can be said of any spokesman for the administration or any congressman.

But this addiction is even more insidious. One can truly wonder how people can become so exercised over posting the Decalogue in public places when there is not one scintilla of evidence in all of recorded history that knowledge of the Commandments has ever improved human behavior. One can truly wonder how our

President and the other members of his administration can continue to believe that the war in Iraq is going well in spite of overwhelming evidence to the contrary. And one can truly wonder how some people can continue to doubt that the emission of carbon dioxide and other pollutants into the atmosphere is causing global warming even though the evidence available almost amounts to a certainty.

The explanation for each of these absurdities lies in our addiction to opinion. When opinion is the summum bonum of a nation's intellectual life, fact, truth, and reality are irrelevant. The advocate of posting the Commandments in public places doesn't care that there is no evidence to support their effectiveness. The President doesn't care that reality contradicts his views. Evidence is irrelevant.

America does not have, has never had, and in all likelihood will never have an authentic educational system, and no book, study, or argument will ever change anything.

## WAR ON THE MIDDLE CLASS

I have just finished reading Lou Dobbs', War on the Middle Class. Good book, but far from perfect! Although Lou gets most of it right, he exhibits a number of blind spots that an objective reporter would have shunned.

For instance, he states that he believes that most businesses are honest. No evidence supports this belief, and much of what Lou himself criticizes belies it. If most businesses were honest, the national business organizations that Lou excoriates would be singing different tunes.

Lou, likewise, has a bias against employee unions, completely ignoring the fact that business and other so-called professional organizations such as the NAM, ABA, and the AMA are not only unions but unions that are much more influential and powerful when it comes to influencing governmental policies than employee unions ever were. Furthermore, he never mentions the benefits to society that employee labor unions fought for and established, many of which are now under fire from the business community and its proprietary organizations. But the most obvious fault is the book's lack of a search for ultimate causes.

Lou seems happy with proximate causes. But the problems within American journalism did not arise in American journalism; the problems within the Congress did not arise in the Congress, and the problems in the business community did not arise in the business community.

Some of these causes certainly originate in America's colleges and universities. For some unstated reason, our colleges and universities do not instill in their students either the importance of truth or a commitment to it. So our journalism schools turn out journalists who lack a commitment to either. Our law schools turn out lawyers who know lots of law but lack a commitment to

truth and justice. Furthermore, these law schools fail to take into account that many of their graduates will not practice law at all, but will become legislators. Yet what training do these students get in the virtues needed by legislators if we are to have a nation of the people, by the people, and for the people? Many graduate departments turn out Ph.Ds. who then go to work for the so called think tanks that Low excoriates as being hired guns for wealthy special interests, and no academic groups seem interested enough to read and refute these fraudulent studies. The teachers in our primary and secondary schools, for the most part, try very hard to put into practice the teaching methods they have been taught in our teachers colleges. And worst of all, our advertising and business executives were taught their principles in marketing departments and schools that offer that ersatz degree known as the MBA. Yet Lou has no chapter on the failure of our colleges and universities.

But even if he had, there is still a deeper question. Why do our colleges and universities fail to instill in their students the importance of truth and justice and a commitment to them? To answer this question is to get to the root of our society's problems; yet I believe the answer is obvious.

The name of the game in America is, Get the other guys money. Yes, some get the other guys money by providing worthwhile products and services, but many others get it by hook and crook. We have heard it said so often that a business' only responsibility is to make money for its stakeholders that hardly anyone questions it. Yet that claim cannot be true, for it is also the claim of all criminal activities. When legitimate companies and criminals have exactly the same goal, society has lost its compass. The difference between a legitimate business and a criminal activity is that a legitimate business is formed in accordance with a society's laws and exists for a social purpose. Mere money

making is not a social purpose. Any business that fails to take into consideration the needs of its society's people and attempt to fulfill those needs is, in truth, little more if anything than a criminal enterprise. Sadly, that's what most American businesses have become.

## WHAT EVIL LURKS IN THE HEARTS OF MEN

No culture was ever created to discover and disseminate truth. None exists for that purpose today. A culture exists to promote a group's existence. American schools, and perhaps those elsewhere too, are tasked with producing compliant citizens, not citizens who know or even care to know the truth. Graduates are the drones, workers, and soldiers of the human hive. What they learn is the culture's conventional wisdom, but conventional wisdom is rarely wise and seldom true. Schools everywhere are madrasas!

Those who use Internet media to rightly point out the lies and misdeeds of both the government and the propaganda press are indefatigable in their efforts, having, it seems, adopted the maxim that says the truth will set us free. But it won't! It never has! It never will! The claim is a legendary lie. Too few people care enough about truth for it to matter. Common people are too busy fulfilling instinctive tasks such as acquiring sustenance, shelter, and reproducing to trouble themselves with esoteric questions. So, as any social critic knows, critical efforts fall on deaf ears and blind eyes. The truth, when brought to light, is merely ignored.

In fact, no culture was ever created to discover and disseminate truth. None exists for that purpose today. A culture exists to promote a group's existence. Cultures are instruments of preservation. Cultures are defined by myths. Unless a culture's myths are known, it's nature cannot be understood.

The myths, although obviously false, are often considered as historical truths, and a culture's institutions are used to inculcate them. Once inculcated in the minds of people, the myths are



almost impossible to expunge. Ears are deafened and eyes are blinded. The social critic is neither heard nor seen. The culture uses its ability to ignore the social critic as a defensive tactic. Ignorance defends the culture, and the culture's educational institutions promote the ignorance. The institution cannot be divorced from its culture. In any culture, truth is something to be avoided and kept hidden.

Schools in America teach students that,

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.-That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed. . . ."

These words are cited even today as defining who Americans are. But did the Colonists believe them? It is inconceivable! The Colonists knew they were not all created equal. They knew no one had an unalienable right to life. They were not stupid. But the myth persists as if it were true.

Strangely enough, however, schools do not teach students what Jefferson also wrote about merchants who "have no country. The mere spot they stand on does not constitute so strong an attachment as that from which they draw their gains." If this observation were also taught to the same extent as the words of the Declaration of Independence, would Americans continue to venerate the economics of the free market and policies like globalization? Would they send their young to fight and die to

preserve market economics for merchants who have no country? Maybe not.

What a culture's schools teach is what the culture approves of. What they don't teach, the culture disapproves of. So before anyone can begin to understand a culture, knowing what its schools, colleges, and universities do not teach is more important than knowing what they do.

Most of what is taught in schools consists of how to do things. Pupils are taught to read and write, for instance. They are taught to calculate in various ways. Some are taught how to treat illnesses; others, how to prosecute and defend miscreants. Still others, how to build things. But schools do not teach students how to shoplift or pick pockets, or smuggle even though these are common occupations. These occupations contribute nothing to GDP. When not teaching students how to do things, schools teach them what to believe, the myths that form the culture's core "values," the myths that define who they are.

Not too many decades ago, pupils were taught how to be self-reliant. Girls studied home economics and boys, shop and mechanics. Those students learned how to be frugal, how to cook nutritious meals, how to sew to make alterations and their children's clothing, how to make simple household repairs. There was a time when almost every teenage boy had a jalopy to ride around in and tinker with. No more! Self-reliance is now a disapproved method of behaving. Why? It reduces commerce. What a person can not do for him/herself must be purchased, bought from a vendor. A purchase is a contribution to GDP; something self-made is not, and increasing GDP is more

important in this society that the welfare of people who now dine on fast-food and hire contractors for even the simplest of tasks.

Other things that are not taught in schools, colleges, and universities are revealing. The United States has several “war colleges.” It has no peace college, not one! War is an approved activity; peace is not. Departments and schools of theology are common; yet not one department or schools of atheology exists. Religious belief is approved, unbelief is not. Market economics is taught in every American school and university; socialist economics and Islamic economic jurisprudence are not. What was once called communist economics is quietly forbidden in American classrooms. Any search for economic truth must be done within the bounds of market economic dogma. Why do economists continue to promote economic practices that have never brought prosperity to any nation’s people? For the same reasons people continue to ask God to bless this country and Baptists go to church every Sunday. They are conventional practices which are culturally approved! Truth has no role in them whatsoever.

American schools, and perhaps those elsewhere too, are tasked with producing compliant citizens, not citizens who know or even care to know the truth. Graduates are the drones, workers, and soldiers of the human hive. What they learn is the culture’s conventional wisdom, but conventional wisdom is rarely wise and seldom true. Schools everywhere are madrasas!

But the most important subject that schools fail to teach is morality. People cannot earn degrees in morality. Moral behavior is not an approved way of living. Not in America or anywhere else that I know of. People are never taught to be good. This lapse

has brought humanity to a state of continual war and the brink of self-destruction.

Conventional thinking usually holds that the evolution of humanity is part of the history of primates, in particular the genus 'homo.' The areas concentrated on are the brain's development and activities like tool making. What would be learned if the concentrations were changed to attitudes? Would the finding be that humans are much more like ants and bees than chimpanzees? Are human beings constrained by instinct to be drones, workers, and soldiers whose only real function is to protect the "queen" and promote the hive? Although human beings look like primates, aren't we perhaps more like insects? How shocking would that conclusion be?

Not much is really known about human nature. Perhaps, as Otto von Bismarck once said, "better not to know how the sausage is made." Would trying to answer the question, "What evil lurks in the hearts of men?" , bring us face to face with the black hole that lies at the core of human existence? What would human beings do then?



















































## ON THE COSTS OF MEDICAL CARE

The April 21-27 issue of the DBJ contains a sequence of articles on the medical care crisis in America. So many words; not a single thought, even though the articles contain all the information one needs to identify both the source of the problem and its only possible solution. The articles make clear that medical insurance is so costly that many people cannot afford it and many who can choose instead to spend the money elsewhere, mostly because medical insurance costs have increased 73 percent in the last five years alone while inflation has increased a mere 11 percent. In addition, the articles catalog various proposals and techniques hospitals are using to cope with the squeeze they are being crushed by because of the care given to the vast number of uninsured or underinsured patients.

First of all, the various proposals and techniques hospitals are using to cope with the problem all seem to be attempts to get more money into the system--from government at all levels, charity, and patients. But this is disingenuous for two reasons. We know, for one, that Americans pay more per capita for medical care than the residents of any other nation, and some of these other nations manage to provide comprehensive medical care to all. If other countries can do more for less, the only logical conclusion is that there is more than enough money already in the system. The problem isn't a lack of money, it's where the money goes. Furthermore, putting more money into the system won't provide a solution to the problem. If the cost of medical care is rising 14 or more percent a year, any combination of income sources that manages to pay the bill this year will be inadequate when next year's increases come due.

There is really only one solution to the problem, but people in the medical care delivery system won't acknowledge it or, as Mary

Grealy does, only acknowledge it grudgingly. She is quoted as having said, "How can we increase access? . . . One of the ways we can do that is by reducing the cost." No, Mary, the only way we can do it is by reducing the cost; it is the only way we can get everyone to carry insurance and avoid the system failure that Dr. Ron Anderson predicts, and make the people that Britt Berrett is concerned about who buy BMWs but not medical insurance change their ways.

But, unfortunately, before any meaningful proposals can be made to reduce the cost of medical care, we really need to know where every dollar paid into the system goes. If Americans are paying more per capita for medical care than the people in other countries and getting less for it, we need to identify the sink holes into which that money is flowing. Yet I suspect very strongly that every segment of the medical care delivery system would resist revealing that information with their utmost political might, for I suspect that each segment has its own very special sink holes that must be kept secret to avoid the wrath of the American people. So, perhaps, reforming the system won't happen until the system brings down itself, which if my calculations are correct, won't take too many more years.

## JUSTIFYING TUITION HIKES

Oh Billy boy, what hast thou done? When I studied composition in the long gone Golden Age of America, I was emphatically taught not to write about what I didn't know. Apparently that is not taught to aspiring journalists anymore. (Next week, I'll reach the 77 anniversary of my birth, I spent more than 20 years teaching in American universities, and about 20 years working in the commercial world.)

So schools must now "justify their tuition hikes." Big deal. Prevaricating justifications are not rare; people in politics utter them all the time. In how many different ways has the President justified the war in Iraq? University presidents know how to lie, too.

"Texans footing the bills are the winners because the schools they pay to educate their children must display a stronger sense of mission." Displaying a sense of mission is easy; effectively carrying out the mission is something else. I believe that our troops in Iraq display a strong and unequivocal sense of their mission, but they have not been able to carry it to fruition and there are no winners. A university's strong sense of mission does not automatically result in the graduation of well-educated students.

But your real howlers are displayed in your comments on student-professor ratios and the money to be generated for student aid.

First, student-professor ratios are meaningless. I have taught in universities with ratios lower than 19 to 1. Yet those universities offered introductory courses in popular subjects in auditoriums which held hundreds of students whose examinations were graded by and who were tutored by graduate assistants. The number of professors at a university has nothing whatsoever to

do with class sizes. A good third of the professors at major universities teach few if any classes, especially to undergraduates. This third of professors consists of department heads, assistant deans, deans, councilors, other administrative officers, and above all, professors hired to fill prestigious research chairs such as the two you mention. Do some arithmetic.

Suppose a university has 25,000 students and 500 professors. Its student-professor ratio is fifty to one. Now suppose it hires 50 prestigious professors to fill research positions. Now the ratio is forty-five to one, but not a single class has had its size lowered. Happens all the time. Universities know how to maximize the divisor and minimize the ratio. It's an easy number to calculate, to fudge, and it's sure to fool most people, even the journalists at U.S. News and World Report.

Then there's the tuition thing and the money to be raised for student aid. Say tuition is \$5,000 and 25,000 students are enrolled. Now suppose enrollment is held constant and tuition is raised 3%. People pay \$3,750,000 more to send their children to this university. The 20% take for student aid is \$750,000. So the people pay \$3,750,000 more so that a mere 145 students can attend free, 290 can attend at half-tuition, 580 can attend at quarter-tuition. And one hundred forty-five is approximately one-half of one percent of 25,000. Now that's what I would call a great deal for people! If a retailer advertised a sale at which prices would be reduced one-half of one percent, I'm certain the retailer would have to hire a small army to keep people from breaking down the walls to get in, aren't you?

I don't know what's happened to America's journalists, who seem to happily print the propaganda they are told by officials and have abandoned analysis and investigative journalism almost entirely. And if you keep up with polling, you must surely know that people have little faith in journalists any more. Aren't you

ashamed to be a major player in such a profession? Not being ashamed of it can be likened to a Cosa Nostra hit-man's pride in being a member of the Mafia.

Shame Billy boy. Shame, shame, shame! Your readers deserve much, much better.

Once again, the Texas legislature has screwed the people of Texas, and you're patting those lawmakers on the back. Sure tuition deregulation works, just as electricity deregulation works, and tort law reform works, and insurance reform works. All of these work for someone, but not for the people of Texas.

Perhaps your paper ought to change its motto to, "Reader, screw you!"

## **IV. LAW & JUSTICE**



## A NATION OF LAWS

The current controversy over illegal immigration has given this phrase a prominence it has not had for some time. The phrase itself is credited to John Adams, our second president, who is thought to have written it in a draft of the Massachusetts Constitution in 1779. His exact expression is, A government of laws, and not of men. He is thought to have coined it by altering a more common English expression, not men, but measures which was used by Edmund Burke and others. Subsequently, many Americans of political stature have used this phrase as especially descriptive of America.

Now, because the Federal Government has failed to enforce our immigration statutes for many decades, many Conservative groups are calling into question whether this phrase any longer epitomizes our country, especially since advocates of lax immigration reform are openly suggesting that the illegal aliens who have broken the immigration laws that our government has refused to enforce should be absolved of their illegal actions.

But the phrase itself is not all that special, because there is nothing special about laws. All laws are not conducive of goodness. Laws are often ill-conceived, discriminatory, inhumane, unjust, and sometimes just plain nonsensical. And often, such laws are often enforced with vengeance when, in reality, they should be repealed. So just because a nation has a government of laws and not of men means very little. Such governments can be evil, predatory, and cruel even more easily that they can be virtuous, compassionate, and kind. And in a sense, that is the real criticism of what America has become. Rather than being virtuous, compassionate, and kind, we appear to have become evil, predatory, and cruel. America appears to have become the elephant in the earth's china shop. Had we ever been able to

describe the United States of America as a just nation rather than as a nation of laws, how much better off might both we and the world be today than we are.

## AMERICA-A LAWLESS NATION OF LAWS

Some nations make the vainglorious claim that they are governed by laws rather than men. This claim is strange, since laws are written by men. The distinction, I opine, is between nations governed by laws written by elected officials rather than by oligarchies or dictators. Yet there is much empirical evidence that laws, no matter who enacts them, are not effective ways of constraining human behavior.

For instance, many believe that God provided Moses with the Decalogue ten laws meant to constrain human activity. But not even the Israelites who formed a covenant with that God to live by them obeyed them for long. And if human beings can be so easily enticed to disobey laws they believe were promulgated by God Himself, what hope have we that mankind will obey laws promulgated by men, whether elected or not?

History contains numerous examples of nations that were populated by people who were to a great extent lawful and others that were populated by people who were mostly lawless. The only valid conclusion that can be drawn from these historical examples is that laws, by themselves, are insufficient; they may be a necessary condition for the development of mostly lawful societies, but not a sufficient condition. Something else must be going on in the societies that are mostly lawful that is absent from the societies that are mostly unlawful.

At the moment, it is difficult to discern what that thing or those things are; yet many often claim that they already have that knowledge. In our nation today, many claim that having removed religion, i.e., God, from our governmental practices has led to the current decline in American moral behavior even though it can be demonstrated that less religious societies do exist whose citizens are much more moral and lawful than we Americans ever were.

So the needed knowledge doesn't exist, but a sociologist willing to engage in a comparative study of societies should not have a too difficult time identifying it or them. Given sufficient detailed information about mostly lawful and mostly unlawful societies, the mere application of Mill's methods should yield tangible results.

Yet it a mystery to me why such a study has not been done, given the harmful consequences of lawless behavior on the human race. Is it because sociologists have not been schooled in the logic of Mill's methods? Is it because they have been led to believe that statistical studies are the only scientific way of investigating problems?

There are many ways to investigate things; one only needs a wide logical vocabulary. Different logical methods have been and continue to be developed to investigate different kinds of things. Four such methods that have a long and honorable history are neglected by today's thinkersthe informal fallacies developed by the Greeks in the Classical era, Descartes Rules for the Direction of the Mind, Mill's methods, and argument by analogy. Induction from empirical data and deduction from known principles are not the only methods available to a thinking person, and by neglecting other methods of thought, thinkers fail to recognize easy solutions, within our grasps, to problems.

So I would encourage some aspiring sociologist to investigate the problem of lawlessness by applying Mill's methods to a comparative study of societies. Not only would such a person become famous, s/he would gain the lasting gratitude of humankind.

## AMERICA'S NEXT FAILURE: THE POLICE STATE

Every police force in the nation has cold (unsolved) cases. The War on Drugs has been ineffective for more than forty years. No one knows where a vast number of illegal immigrants even are. The CIA has been unable to locate Osama bin Laden after more than ten years of searching. Your local police cannot protect you from burglaries, drive by shootings, rapes, domestic abuse, or murder—even with the help of most ordinary citizens. The situation is so bad that numerous legislatures have legalized the carrying of loaded weapons so that ordinary people can protect themselves which is a complete abdication of the usual view that people should not take the law into their own hands. So what in the world would make anyone believe that policing can protect us from terrorists?

Suppose you were a person who painted the exteriors of houses, and that one August afternoon you were close to completing a job when you noticed a thunderstorm looming. Suppose you looked around and saw a police car coming down the street, flagged it down, and asked the policemen to help you finish the job before the storm hit. What reaction do you think you'd get? Do you think you'd get any help?

Now consider this: A person is caught by a surveillance camera robbing a convenience store. The police send the tape to the local television stations, and on the next newscast, the tape is broadcast and viewers are asked to help identify the robber. Say what?

What distinguished this situation from the one described in the first paragraph? The police expect the public to help them do

their jobs, but the public cannot expect help from the police. Am I the only person who finds this situation odd?

Things are even worse. Have you ever had your home burglarized? I have. When the police arrived after my call, they dutifully wrote a report. When it was handed to me, one of the officers said, "You realize that all we are going to do is file the report" and advised me to file an insurance claim. Why don't they tell that to the convenience store's owner instead of asking the public for help?

Some will say that getting criminals off the street is a good thing, so so is helping the police identify them. But it's not clear that policing gets criminals off the street. Even when convicted, judges routinely sentence the convicted person to probation. When sentenced to prison, some other convicted criminal is often paroled to make room for the newcomer. So what is it exactly that the police do for you? I don't know the answer.

Because of this, in some communities, people refuse to help the police and frown on anyone who does.

In Tampa, three women heard gunshots. What they did next made them heroes to many people but outcasts to others - including some of their neighbors.

Rose Dodson was awakened by gunfire and tires squealing that night, June 29. Moments later, her roommate, Delores Keen, watched a man leap over a fence near her apartment. In the distance, at 50th Street and 23rd Avenue in east Tampa, she saw the emergency lights of a police cruiser twirling in the dark, but no officer was in sight. Both knew something was wrong and

stepped outside the safety of the apartment to investigate. A friend, Renee Roundtree, who had been walking to a nearby store, joined them. Lying on the ground beside the police cruiser, the women found two officers, David Curtis and Jeffrey Kocab.

Keen called a 911 dispatcher.

Whether making outcasts of these three women is appropriate is for each to decide for her/himself. I am merely making a point about policing in general which is merely that police seem to be unable to do their jobs alone. And this situation applies to the FBI, CIA, Homeland Security as well as the local police. All seem to require help from ordinary people.

For instance, the FBI has claimed to have foiled a number of terrorist plots, all with the help of paid informants. The FBI foiled none on its own. It also regularly issues a ten most wanted list asking for help from the public in finding those listed. The CIA also relies on paid informants even to gather information. The border patrol seems to be equally unable to carry out its functions alone. It has been totally ineffective in providing border security.

Now the nation seems headed toward becoming a police state in which everyone is watched, people are asked to snitch, and information is collected willy-nilly on everyone. But consider these facts:

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In Plato's Republic, he describes a political system ruled by an oligarchy of specially trained Guardians. Critics of this system have often poised the question, Who guards the guardians? In Plato's Republic, the Guardians guard each other using their special moral sensibilities developed by their educations. But lacking such morality, it is obvious that even guardians must be guarded. In a police state, everyone cannot be watched, especially the police themselves. Likewise, everyone cannot be protected. No police state can function efficiently or effectively. Police cannot succeed without the help of ordinary people and police states ultimately fail because of that. In a police state, money is squandered trying to get the police to do something they can never do. They can, however, make life miserable for everyone.



## AN END RUN AROUND THE CONSTITUTION

Jonathan M. Feldman, in *The U.S. as a "Failed State"*, writes, It's obvious that the New Orleans tragedy has revealed that urban areas, particularly those housing the poor and African Americans, are regarded as disposable by corporate and government elites. . . . The U.S. went into Iraq to "save it" and now can barely save itself. . . . We now must ask ourselves, isn't the U.S. a failed state? And he obviously believes that the answer is, Yes. He goes on to say, The solution to this crisis requires several forms of remedial action. One such action would be intervention by a consortia of European States who provided not only economic aid, but some kind of political intervention (in the form of think tanks, grants and other material support) to promote and extend democracy in America.

Bernard Chazelle, in *The Case for a New Progressive Creed* provides a great deal of evidence to support the view of America as a failed state: By virtually any measure, the United States is the least progressive nation in the developed world. It trails most of Western Europe in poverty rates, life expectancy, health care, child care, infant mortality, maternity leaves, paid vacations, public infrastructure, incarceration rates, and environmental laws. The wealth gap in the US has not been so wide since 1929. The Wal-Mart founders' family owns as much as the bottom 120 million Americans combined. Contrary to received opinion, there is now less social mobility in the US than in Canada, France, Germany, and most Scandinavian countries. The European Union attracts more foreign students than the US, including twice as many from China. Its consensus-driven polity, studies indicate, has replaced the American version as the societal model to which the developing world aspires. And he provides these neat comparisons:

\* (a) The US is the world's richest nation; (b) the US outranks only Mexico in child poverty among OECD countries.(28)

\* (a) America's GDP per capita is 11 times higher than Sri Lanka's; (b) life expectancy for African-American men is 3 years shorter than for males in Sri Lanka.(29,30)

\* (a) African-Americans have been the force behind this country's most influential musical genres; (b) one third of all black men will go to prison at some point in their lives.

\* (a) The US scoops up more Nobel prizes in medicine than any nation on earth; (b) 18,000 Americans will die this year for lack of health insurance.

But things are really far worse. Not a single political or social institution in America works. The Congress cannot pass effective legislation, the criminal justice and judicial systems routinely convict the innocent, Social Security and Medicare are grossly inadequate and the commercial health insurance system is dysfunctional. The War on Drugs is stalemated. Our borders are sieves. Immigration control is non-existent; not only is illegal immigration prevalent; many who come here legally merely overstay their visas and no one knows who or where they are. We incarcerate more people per capita than the U.S.S.R. placed in gulags. Only about half of our school children graduate. The university system is open to the stupid wealthy but not the bright poor, and it absolutely fails to instill reverence for truth and goodness in the students it graduates. Scholarships go to athletes who are not scholarly, and scholarly students are graduated with heavy burdens of debt. Our churches instill neither piety nor compassion nor moral behavior. Racism, although perhaps regressing, is still a major denier of civil rights. The infrastructure is in severe disrepair, and the business community can neither manufacture nor market products of high quality. Salesmen regularly argue over who can sell products that don't work best.

Governmental agencies, ostensibly created to protect the public, instead protect the very people Americans need to be protected from. When hazardous products are imported from China, there is a hue and cry but not much action. The Chinese, on the other hand, have banned imports of cheese from Italy because of one batch that was poisoned. The Federal Reserve aids and abets fraudulent financial institutions, and when their fraud is exposed and they are about to collapse, it commits taxpayer dollars to bail them out. The press routinely reports governmental lies and fails to report the news that Americans really need to hear. What the president says is reported even when its significance is no greater than reporting that Leona Helmsley's now famous dog barked, but the number of Iraqi civilians killed by the American invasion goes unreported. Whenever Hamas kills an Israeli, we are told about it, but were rarely told how many Palestinians have been killed by the Israelis. We're also never told how much America is borrowing from China and other countries to pay the aid we give to Israel. We're aiding foreign governments with borrowed money and fighting two wars with it too. Official lying has become a common practice, and documents are classified not to protect national security but to hide the malfeasance of officeholders. And our electoral process is regularly corrupted by its complexity and inefficient practices; yet we have the audacity to criticize other nations for their corrupt practices.

Those are the facts, and the United States of America is, by every definition, a failed state. It is a nation built around an 18th Century ideology trying to become a 19th Century empire in the 21st Century.

Yet no one has isolated the reason for this failure. It is that the American Constitution has been nullified by an end run by non-constitutional institutions that have taken control of the nation--faction, which the Founding Fathers thought they had rendered

ineffective, lobbying which is erroneously justified by citing the Constitution's right of the people to petition the government for the redress of grievances, not advantage, and by the Supreme Court's decision that makes political contributions a form of speech, thereby making metaphorical interpretation an accepted practice. So much for strict construction!

How could this have happened? After all, the Federalist Papers more than adequately demonstrated the dangers of faction. Why did those in government who succeeded the Founding Fathers ignore entirely their teaching and arguments?, a question which, of course, is impossible to answer. But the way of fixing America is not through the intervention of foreign nations, it lies in merely controlling these three misguided institutions.

Faction is the Dark Vader of constitutionalism. The Founding Fathers wrote into the Constitution what they thought was a system of checks and balances, but when one faction controls all three branches of government, there are no checks and therefore no balances. When the need for money to finance political campaigns is predominant, Congressmen are easy marks for the corrupting influences of special interests. The government then ceases to function as one of the people, by the people, and for the people. But even controlling the influence of faction, lobbying, and campaign financing is not sufficient. The Congress must change its ways.

Membership in the Congress is predominantly held by members of the legal profession. Not a single one of these attorneys would advise a client to sign a contract without reading all of its fine print; yet they routinely vote on legislation they have not read. This practice is absurdly insane! Laws that the Congress produces are so voluminous that no one can be expected to have read them. Certainty and promulgation are necessary characteristics of law if it is to be effective. But no one who hasn't read a law can be

certain of its provisions, and huge laws can never be adequately promulgated. Being told to obey laws that no one knows the provisions of is an oxymoronic absurdity. Such laws provide the unscrupulous with an infinite number of possible ways to game the system. And indeed the system has been gamed, the Constitution has been subverted, and the result is that America is a failed state.

No, foreign intervention can not change things. What's needed is seriousness on the part of Americans. As long as we allow factionalism and its consequences to endure, as long as we allow the Congress to enact legislation that is ineffective even in form, the nation's future will be grim. Unfortunately seriousness does not appear to be a characteristic of American culture.

## AN OPEN LETTER TO JOHN CORNYN AND THE CONGRESS

Ah, yes, John!

I believe for every drop of rain that falls a flower grows

I believe that somewhere in the darkest night a candle glows

I believe for everyone who goes astray, someone will come to show the way

I believe above a storm the smallest prayer can still be heard

I believe that someone in the great somewhere hears every word

I believe, I believe.

Yet beliefs, as yours are, are far more often erroneous than right.

You write,

"I believe our top priority should be to lower the cost of health care, without reducing quality or access to care."

No, John, the top priority should be to lower the cost of health care and improve quality and increase access. Maintaining what we've already got won't help.

You write,

"I believe we can lower the cost of health care without giving Washington more control over the decisions of doctors and patients."

But, John, what control has Washington had over the decisions of doctors and patients? Private insurers are notorious for exercising that kind of control, not the government. All the government has had control of is reimbursement to providers, and reimbursement is not a medical decision.

You criticize Kennedys bill, perhaps rightly so, but your points don't make the case.

You write,

"First, Senator Kennedy's bill will cost at least \$1 trillion over the next ten years and that's just the beginning. . . . The taxpayers' \$1

trillion does not include the cost of increasing eligibility for Medicaid for people up to 50 percent above the poverty line."

But, John, what are the CBO's assumptions? We know that currently, Americans pay more than twice as much per capita for healthcare than the populations of other developed countries and not only are fewer people covered but the quality of care is lower. If other countries can provide universal coverage for half as much as we spend, why can't we simply divert what is currently being spent into one fund and cover everybody? It wouldn't cost an additional cent. Certainly we ought to be able to provide universal care for twice as much money as other nations spend to provide it. If they can do it, why can't we?

You write,

"Second, Senator Kennedy's bill includes a government-run health care plan that will force at least 15 million people to lose their current private health insurance. The Congressional Budget Office recognizes that no current provider can long compete against a government that calls the balls and strikes even as it takes the field. According to the independent Lewin Group, a government plan could eventually take away current health benefits from 119 million Americans, and force 130 million Americans into a Washington-run health care plan."

So what, John, they would still have coverage, wouldn't they?

You write,

"Third, a new Washington-run plan will increase the cost of private insurance. "Cost-shifting" occurs when a health care provider accepts low government reimbursement rates, but only if it can charge extra to those with private insurance. This cost-shifting acts like a hidden tax on millions of American families and small businesses. One respected actuary estimates that cost-shifting increases the average American family's health care premium by more than 10 percent, or more than \$1,500. Adding

another new government health care plan on top of Medicare and Medicaid will only increase this cost."

But, John, taking private insurance out of the picture makes cost shifting impossible.

You write,

"Fourth, a new Washington-run plan would lead to government rationing of health care. Just look at the results in Canada. Thousands of our friends to the north come to the United States every year for life-saving surgeries, after their government has told them they'll just have to wait. Various studies suggest that Canadians, especially the poor, are less healthy under socialized medicine than those in our own country. More and more Canadians want to reduce the role of government and expand private options for health care, even as elites in Washington want to move America in the opposite direction."

Oh, John, this is pure propaganda! First, you are misusing the word 'ration.' Look it up! When things are rationed, everyone who needs them gets a share; nobody goes without. Second, thousands . . . come to the United States . . . for life-saving surgeries, after their government has told them they'll just have to wait. That, John,, is a bald faced lie. Canadians do often have to wait for elective surgeries, but not life-threatening ones. But you fail to mention the thousands of Americans who are going to Latin America and even Asia for procedures that are unaffordable in America. And third, your use of various studies is nothing but a dodge or perhaps an Edsel. People who don't cite studies are scoundrels. Studies are not created equal. Some are good; some are bad, and one can select just the one's that support his/her beliefs while ignoring the others.

You write,

"Fifth, a new government plan would replicate the model of Medicare and Medicaid, which illustrate everything that can go



wrong with Washington-run health care. Costs for both plans have exploded. Low reimbursement rates force many providers out of the system, and many patients to long waiting lines. Taxpayers pay up to \$90 billion a year in fraudulent and wasteful medical bills, about two-thirds of that in the Medicare program alone."

Well, John, maybe true, maybe not. But the Congress wrote the Medicare and Medicaid plans. If they don't work well, its your fault. Yes, the costs have exploded. So have the costs of private plans. And if those private plans were abolished, the providers would be unable to leave the system unless they stopped practicing altogether. And if there is fraud and waste in the system, it can only be because the Congress created programs with many loopholes and enforcement failures. Again, John, it is not the programs that are at fault, it is the Congress who created them without adequate safeguards. That's you, John!

You write,

"The Kennedy Bill has other provisions that would increase Washington's control of our health care system including new punitive tax increases. If a family doesn't have a Washington-regulated health care plan, they would pay a new tax. If a small business owner doesn't offer a Washington-regulated plan for every employee, then she would pay a new tax. These tax increases are designed not to raise revenue to pay for health care, but to punish families and businesses that step out of line."

Oh, John! Your claim that the increases are designed to punish is pure presumption. What evidence can you cite? Anyhow, John, someone needs to be punished for the creation of this abominable system.

You write,

"There are alternatives to a Washington takeover of the health care system, and the best of them will give patients more control

over their care. Innovators in both government and the private sector have learned that empowering patients as consumers can lower costs. They've learned that the right incentives can encourage patients to make healthier choices, and providers to compete for their business. These are the ideas that can drive successful reform of our health care system."

Pure bull, John. What patient has ever had control over his/her own healthcare? The physician he/she goes to has the control. When a physician diagnoses a patient's problem, the patient is not given a menu of options. The physician doesn't say, I can sell you this treatment for x dollars, or this treatment for y dollars, or this treatment for z dollars. A physician's office is not a retail store. And what empowering practices have been learned that can lower costs? If they have been learned and can lower costs, why haven't they? And how can medical providers compete for the business of patients? How can the model used by cosmetic surgeons be adapted to real medical problems? A patient suffering a heart attack doesn't have the luxury of being able to shop around.

You write,

"Health care reform can be successful if we take the time to get it right. . . . when Congress acts too quickly, it often delivers bad policy. . . . Washington elites want to dictate to the American people the future of health care, but I believe the best solutions will come when Washington begins to listen."

Well, John, finally you've gotten something right. The Congress, of which you are a part, is made up of a bunch of Keystone Kops legislators who haven't gotten anything right for decades. And although you believe (here we go again) that Washington (deceased) needs to listen, the question is to whom? And those Washington elites, who are they? Are you one of them?

Senator Kennedys bill is not a solution to the problem, because the problem with the American healthcare system is private insurance. It sucks an enormous amount of money out of the system without providing a worthless cent's amount of healthcare. What medical procedure does an insurance company provide for the money it takes in? Not even an aspirin tablet! All private insurance does is collect money, skim a portion off the top, and pay the providers from what is left. The insurance industry is a worthless middle man, getting paid for nothing. And that, John, is the industry whose services you seek to preserve.

If private insurance companies had any interest or desire to provide Americans with a high-quality healthcare system, they have had half a century to do it and haven't. Private industry has no interest in solving social problems. Never has, never will have. Its only interest is profit. And profit buys no medicine, John, none whatsoever. So, John, if you truly want health care reform to be successful, stand up, and for once in your life, do the right thing. Your only job is to provide the American people with high-quality healthcare, not to preserve an industry's profits. You are a representative of people, John, not of business, that is, unless you're just a scoundrel.

## **AN OPEN LETTER TO SENATOR JOHN CORNYN AND ALL OTHER MEMBERS OF CONGRESS**

On Friday, May 15, 2009, Senator John Cornyn sent an update to his constituents the gist of which is this: "I believe harnessing the ingenuity and competitiveness of the American people to create more options for patients through the fair market is the best way to spur innovation, keep prices competitive and quality high." Senator Cornyn is one of these Republican true believers who knows what he believes but never checks the facts to see if what he believes is true.

Senator Cornyn, as a member of Congress, has government run and subsidized health care which includes prescription drug benefits along with a government run and subsidized retirement plan. The yearly income of Congressmen exceeds \$174,000 which is automatically increased annually for inflation. So I would ask Mr. Cornyn and all of his fellow Congressman, can't you afford medical insurance provided by a private company? And if so, why don't you buy it? If not, how do you expect your constituents earning twenty, thirty, forty, and even fifty thousand dollars a year to afford it? And why have you created your own publicly funded retirement plan? Can't you afford regular contributions to 401Ks? If you can, why did you create a government run and subsidized plan for yourselves? And if you can't, why do you think that your constituents can? Why are such plans good enough for members of Congress but not good enough for your constituents? If government plans are expensive and wasteful, why aren't the government run plans for your benefit expensive and wasteful?

Senator, isn't the current American health care system based on private companies competing in the marketplace? It hasn't yet spurred innovation, kept prices competitive (whatever that

means), and it hasn't produced high quality health care. Why would continuing this dastardly system do these things? Senator, you yourself have written, "Congress recently began consideration of various proposals to reform health care - and our biggest challenge is to help make it more affordable. Health care costs have risen far faster than inflation in both good economic times and bad. Health care costs force many self-employed workers into the ranks of the uninsured." Clearly, Senator, the marketplace has not worked. Your own statement proves it, so why are you defending it and attempting to continue it?

You write, "We must work to reduce the costs associated with providing quality care." Then you write, "Reining in health care fraud, waste and abuse could save taxpayers up to \$90 billion a year. Reducing lawsuit abuse is also necessary. Texas is a great example of a state that has seen reduced insurance premiums for providers as a result of reducing lawsuit abuse, while still protecting the real victims of medical negligence. A focus on wellness and prevention is also crucial to cutting the cost of health care. I recently introduced legislation with Sen. Tom Harkin, the Healthy Workforce Act, to make comprehensive wellness programs affordable for more small businesses. A new emphasis in the workplace on prevention and wellness will lower the costs businesses incur in providing health care for their employees (emphases mine)." But Senator, not one of the things mentioned lowers the costs for patients.

Then you write, "A Washington-run health care system would mean less individual freedom to make our own health care decisions, including choosing our own doctors. I am concerned that a Washington takeover will deny care and delay treatment." Oh, Senator, who chooses his own doctor? Many private insurers have lists of approved physicians. Often that's not much of a choice. When you go to the Office of the Attending Physician,

Senator, how many doctors do you get to choose from? Who makes his own health care decisions? A person gets sick, goes to a doctor, and the doctor makes the decisions. And have you not heard of insurance companies denying care ordered by physicians for their patients? And finally, Senator, how many choices do all those Americans have who lack access to the system? Do they choose their doctors when in the emergency room? Do they select the treatments they receive?

You correctly write, "Americans now spend twice as much per capita on health care than other industrialized nations, our massive investment has not led to higher quality care." Tell me, Senator, why can't we pay for universal, single payer, healthcare by merely diverting what we already spend to a single fund that pays providers directly for whatever treatment and procedure doctors prescribe, no questions asked? If other industrial nations can provide universal healthcare to all of their residents at half the cost of what we Americans pay, why can't America provide the same coverage for twice what other nations pay? No new money is needed, Senator, to fix this broken system. Plenty of money is already being spent; it's just being spent in the wrong places.

The truth, Senator, is that you and many others in the Congress don't want to fix the system. You prefer that the sick and infirm just suffer and die. Their suffering and dying doesn't cost you and those like you anything. You prefer to have corporate America get rich off of the suffering and death of your constituents, because corporate America funds your campaigns, bribing you to do its bidding rather than the bidding of your constituents.

Senator, I don't believe that you believe any of the claptrap you write. You can't be that dumb! But if you are, you certainly don't belong in the U.S. Senate.

## ARE SETTLED CLASS ACTION SUITS SCAMS?

Have you ever been a member of a settlement class in a settled class action suit? Did the award satisfy you or did you find it to be grossly inadequate? Did it make you suspicious of such suits? In 1996, Epson America announced a settlement of a class action suit over its practice of engineering its printers to monitor ink levels and incorrectly read cartridges as empty and therefore unusable even though there is still ink in the cartridge. It provided a \$45 credit for eligible American customers for each purchased and registered printer. But the credit could be used only at Epson's online store, where prices are considerably higher than in most discount stores such as Wal-Mart. The settlement did not require Epson to modify cartridge software and technology so that ink cartridge readings reflect the true level of ink in a cartridge, so Epson could continue the deceptive practice. Epson also agreed to pay the Plaintiff's Attorney's fees, usually one third of the amount awarded. I doubt that many owners of Epson printers took advantage of this credit. I didn't! Instead, I junked my two Epson printers and vowed never again to buy anything manufactured by Epson.

My wife was a member of the settlement class in a settled class action suit that awarded her two dollars and some cents. Unfortunately, I lost this suit's details. But I do remember that to receive the award, she had to download, fill out, and mail a form to the suit's administrator. The expense of doing that would have reduced the award's value to less than a dollar. I remember telling her to forget it.

Recently I was a member of the settlement class in an ERISA suit against ACS. ACS was accused of violations of its fiduciary responsibilities in its 401(k) program. Three law firms ended up representing the plaintiffs (the Belek Law Firm of Houston, TX,

Giney & McKenna of NY, and Stull, Stull, and Brody of NY). These firms settled this suit for \$1,500,000. \$566,482.99 went to the attorneys for expenses and fees; \$933,517.01 was awarded to members of the settlement class. But the settlement class consisted of 24,777 members, so that if the award had been distributed equally, it would have been a mere \$44.60, hardly anything to get excited about. (The similarity of this number to the credit offered by Epson is interesting. Do these law firms know something about what companies are usually willing to settle for in the same way that those in marketing know that people are more likely to buy something if it is priced under \$20?) But the award wasn't distributed equally. The distribution was based on a negotiated formula that calculated the actual losses in ACS stock ownership over the defined period. The result was that 32% received distributions of approximately 26% of their losses, 29% received a minimal award of \$20, and 39% got nothing at all. I found this to be curious. If ACS violated its fiduciary responsibilities in accordance with ERISA, it did so in two ways: it paid matching contributions in ACS stock, which encouraged employees to put all of their eggs in one basket, and it always employed firms that charged high transaction fees to manage its 401(k) accounts. During the period of time involved (7/1/2001 to 12/20/2007), ACS stock rose steadily until January, 2006, when began to fall. At the end of 2007, the stock price was still slightly higher than it was on July 1, 2001. So whether or not the class members made or lost money depended entirely on how they managed their holdings. ACS' practices had nothing to do with it. Wiser members who sold their holdings when the stock was up made money while those who neglected to manage their accounts effectively lost money. But ACS' practices affected all of the members of the class. In fact, it is likely that those who managed their holdings effectively lost more than those who actually



experienced losses. A department of Labor study compared two 401(k) plans with starting balances of \$25,000 earning 7 percent over 35 years without additional contributions. A plan with fees and expenses of 0.5 percent annually compared to a plan with fees and expenses of 1.5 percent yields \$64,000 or 28% more. So the people who were selling stock when the price was up more likely than not had to pay more transaction fees than those who neglected their holding. So astute attorneys should have known that the formula negotiated to calculate the amounts to be awarded should have been based on transaction fees rather than profits.

The question is why didn't they do that? Why did they settle this suit for such a meager amount? And why did a federal judge (Barbara G. Lynn) approve this settlement? Why do attorneys negotiate any of these meager settlements and why do judges routinely approve them?

Well, the answer is apparent. Attorneys take on class action suits on a contingent fee basis. If the case goes to trial and the defendant prevails, the attorneys don't get paid and lose the resources they have expended in pursuing the suit. So the incentive is for them to settle. Defendant companies know this, and offer meager settlement terms. Accepting these terms is an easy way for the plaintiff attorneys to make one-third of the award without ever having put anything at risk. The three firms involved in the ACS ERISA suit netted a cool half million dollars just for filling out some papers and negotiating with ACS' attorney; most members of the settlement class got pocket change. And oddly enough, it took three firms to negotiate this settlement. Sound suspicious?

Why judges approve these settlements is a mystery. Perhaps is just because the law does not exist for you and me. (Most members of our corrupt Congress are also lawyers.)

So if any reader is thinking about filing a class action suit, find an attorney who understands that if s/he is unable to negotiate a substantial award for each member of the settlement class, that you will insist that the suit be taken to trial. And before you settle on a lawyer, analyze the settlements s/he has negotiated. Make sure that his/her settlements amply award all the members of the settlement class; otherwise, you are merely involving yourself in a lawyerly boondoggle in which the lawyers will use your misery to enrich themselves. If your lawyer isn't going to get you and your colleagues substantial awards, at least make sure that s/he doesn't get any either.

The legal profession in the Western world has never had an honorable reputation. As early as the fifteenth century, Erasmus wrote, "Lawyers are jackals." Shakespeare in Henry VI wrote, "The first thing we do, let's kill all the lawyers." And even Benjamin Franklin wrote, "A countryman between two lawyers is like a fish between two cats." Lawyerly jokes are almost as prevalent as dumb blonde jokes. One of my favorites is this: A man says, "Boy was it cold today." His friend asks, "How cold was it?" The man says, "It was so cold, lawyers were seen coming out of the Court House with their hands in their own pockets."

American courtrooms often have statues of the Roman Goddess Iustitia in them. She is always blindfolded. The reason, contrary to what people are led to believe, is that she must be prevented from seeing what goes on in them.

## CAMPAIGN FINANCE REFORM AND THE FIRST AMENDMENT

Has the Supreme Court Misinterpreted the First Amendment?

Reading the First Amendment makes one wonder how the Supreme Court could have turned its clear and unambiguous words into a mishmash of ambiguity.

"Congress shall make no law . . . abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances."

The writers of the Constitution did not use the words expression, association, affiliation, or common political goals. What they did do was name different kinds of things using ordinary diction: speech, press, assemble, petition, and grievance. In ordinary parlance, speech means talk and in the Eighteenth century, press meant print. The press as we know it today did not then exist. Assemble means to get together in the same place, petition means a written request, and a grievance is a perceived injustice.

Yet, in *BUCKLEY ET AL. v. VALEO*, the Court wrote:

"(b) The First Amendment requires the invalidation of the Act's independent expenditure ceiling, its limitation on a candidate's expenditures from his own personal funds, and its ceilings on overall campaign expenditures, since those provisions place substantial and direct restrictions on the ability of candidates, citizens, and associations to engage in protected political expression, restrictions that the First Amendment cannot tolerate."

In support of this interpretation, the Court cites *Mills v. Alabama*, 384 U.S. 214, 218 (1966); yet that decision clearly only refers to printed matters. "The Constitution specifically selected the press, which includes not only newspapers, books, and magazines, but

also humble leaflets and circulars, see *Lovell v. Griffin*, 303 U.S. 444." The other decisions cited in the section on General Principles, all also relate solely to printed matters. So how do speech and press come to mean expression, a far more generic term, and how did the court use this embellishment to make unlimited campaign expenditures a First Amendment right?

"The court writes, The Act's contribution and expenditure limitations also impinge on protected associational freedoms. Making a contribution, like joining a political party, serves to affiliate a person with a candidate. In addition, it enables like-minded persons to pool their resources in furtherance of common political goals. The Act's contribution ceilings thus limit one important means of associating with a candidate or committee, but leave the contributor free to become a member of any political association and to assist personally in the association's efforts on behalf of candidates. And the Act's contribution limitations permit associations and candidates to aggregate large sums of money to promote effective advocacy. By contrast, the Act's \$1,000 limitation on independent expenditures "relative to a clearly identified candidate" precludes most associations from effectively amplifying the voice of their adherents, the original basis for the recognition of First Amendment protection of the freedom of association. See *NAACP v. Alabama*, 357 U.S., at 460 ." The Act's constraints on the ability of independent associations and candidate campaign organizations to expend resources on political expression "is simultaneously an interference with the freedom of [their] adherents," *Sweezy v. New Hampshire*, 354 U.S. 234, 250 (1957) (plurality opinion). See *Cousins v. [424 U.S. 1, 23] Wigoda*, 419 U.S., at 487 -488; *NAACP v. Button*, 371 U.S. 415, 431 (1963).

Notice how the diction has changes. Assemble has become associate and affiliate. Grievance has become political goals . So

this decision is not based on the text of the Constitution; rather it results from equivocating on that text.

*Sweezy v. New Hampshire*, 354 U.S. 234, 250 (1957) makes identical substitutions: "Equally manifest as a fundamental principle of a democratic society is political freedom of the individual. Our form of government is built on the premise that every citizen shall have the right to engage in political expression and association. This right was enshrined in the First Amendment of the Bill of Rights. Exercise of these basic freedoms in America has traditionally been through the media of political associations. Any interference with the freedom of a party is simultaneously an interference with the freedom of its adherents." So does *Wigoda*, 419 U.S., at 487 488 and *NAACP v. Button*, 371 U.S. 415, 431 (1963).

The mistaken result then goes something like this: A person expresses his preferences by the way in which he spends his money. Freedom of expression is guaranteed by the First Amendment. So to limit a person's expenditures on a political campaign infringes his First Amendment rights. More simply put, freedom of speech (read talk) is guaranteed by the First Amendment. Money talks; therefore spending money is speech protected by the First Amendment. But any student of classical logic should recognize this argument as an example of the fallacy of excluded middle.

Sure metaphorically, money can be said to talk. So can many other things, as for instance, scant or revealing attire, expectorating in the face of an official, turning your back on a judge in a courtroom, refusing to pay one's taxes on the grounds that they support an unjust governmental activity.

Isn't it strange that spending money on political campaigns in ways that foster the appearance of governmental corruption is ruled to be protected speech, but that more honest ways of

speaking metaphorically or symbolically are not? Perhaps it's not just the legislative and executive branches of our government that are corrupt. Or perhaps our judiciary is made up of persons who are just intellectually and morally challenged in the manner in which decisions are written.

## CAPITALISM AS DISEASE: SPREADING GOVERNMENTAL TYRANNY AND GUN VIOLENCE

### *The Tragedy of Being Human: A Mean Spirit*

When I grew up in semi-rural Pennsylvania, everybody had guns, and guns were never a concern. People had guns for hunting and for skeet and target shooting. I had a 0.22 long barreled Remington rifle for varmint hunting, mainly to keep from being inundated by migrating urban rats. My brother had a shotgun; I never knew what kind. My memory is that he used that shotgun only once. He had, at the time, a desire to be a pheasant hunter, and the first time he hunted, he came home with a bloodied carcass which he proudly presented to our mother. Never having dealt with a fully feathered bird full of buckshot before, she spent an agonizing afternoon trying to make it fit for cooking. By the time she finished, my poor brother's pride had been replaced by sorrow and chagrin. He never hunted again. Not another pheasant was ever killed by a member of my family.

But nobody had guns for protection. If guns are needed for protection, the society has already failed. The little community I grew up in had no police force; in the eighteen years I lived there, it had not a single officer. It had no jail, no courthouse, and not a single lawyer. No house was ever broken into, and no one was ever assaulted. People rarely locked their doors. The people in that little community not only liked each other, they cared for one other. They were not only pleased when the needy were helped, they eagerly took part in helping.

The government that existed was there when needed and invisible when not. People did not distrust their government,

were not afraid of its becoming tyrannical, and trivial offenses were ignored. Although it was unlawful to sell alcoholic beverages on Sunday, the town had a speakeasy that was open seven days a week and no one ever cared. As a small child, I often accompanied my father when he went there. As he drank his tankard of beer, I sipped a modicum from a shot glass. And I did not become an alcoholic! A miracle, I'm sure! In the twelve years I attended public schools, no policeman or security guard was ever needed for any function, not even athletic events. (Good thing, since the community lacked one.)

That world is now gone. In less than a century, in a single lifetime! it vanished. Now many people refuse to help the needy and resent it when they are helped. A miasma of meanness now hovers over America. Although it does not afflict everyone, it afflicts enough to make meanness a dominant American attribute. It can be observed everywhere—in the halls of Congress and in our classrooms where students bully their classmates, in a college band whose members beat one of their own to death in an activity called hazing, in the killing that takes place on our streets and in our homes, schools, and places of work, in the dialogs spoken in movies and on television programs. No one likes or trusts anyone, especially the government. Americans are a poorly educated, uncouth, uncivil, uncaring people. (No, not everyone.) They have turned civil society into a mob.

I live in a sparsely populated, gated community that epitomizes this nation. With only a population of around 15,000, it boasts of 21 churches. Four of these are affiliated with the same protestant theological denomination; yet their congregations do not like one another well enough to worship together in the same building. Americans don't live together; they merely live side by side.



America's Christians not only dislike non-Christians, they dislike each other too. In general, we are a mean spirited and spiteful people.

Americans who oppose the legalization of abortion because they claim to believe that life is sacred stand by silently as people of all ages are gunned down in their communities every day. It's as though the births are needed to ensure that shooters will always have targets since no provision is ever made to care for the newly born. The hungry have to rely on intermittent charity, the homeless, cardboard boxes, and the sick, seemingly endless waits in emergency rooms. An asthmatic resident of my home state recently died in one while waiting to be examined. A simple injection would have saved her. Abandoned street children unite in street gangs which hunt one another. The unemployed become hunters of people and gatherers of their goods. People seethe with covert racial, religious, sexual, and other biases. Love thy neighbor as thy self has no practical meaning, no cash value, as William James would have put it.

So what has happened? Well, answer these questions and try to figure it out:

What difference is there between a President who has a kill list and squads of assassins called navy seals and a Cosa Nostra Don who orders assassinations? Is the Director of the CIA whose agents assassinate people any better than a Mafia Godfather?

How can a government that boasts of killing people in faraway places seriously lament the killing that takes place in its own cities? Many more Americans were killed avenging 9-11 than were killed on that day. Revenge, a mean spirited activity, is more

important than people's lives. Humane people never take pride in killing.

How can a nation that shrugs its shoulders over collateral killings in, say, Pakistan, bemoan the killings of bystanders in gangland crossfire or even those killed in their bedrooms during drive-by shootings?

How can a nation claim it values life while its police routinely get away with killing unarmed and often handicapped people by merely claiming a fear that their lives were in danger?

How can a government not be tyrannical when it consists of true ideological believers who seek to impose their beliefs on everyone else? Tyrannical governments are made up of tyrannical people. John Stuart Mill long ago proved in his pamphlet, *On Liberty*, that freedom is impossible without tolerance for differences. But even America's university graduates haven't read that little pamphlet. The expression "educated American" is for the most part an oxymoron.

Of course, there have always been two kinds of people – humanitarians and inhumanitarians. And a majority of the people in a mean society do not have to be mean. The amount of meanness perpetrated, not the number of people who perpetrate it, is the definitive element. The meanness evident in America is overwhelming. Civil behavior is almost entirely absent. Barbarians are at the helm of the ship of state and have been for a long time.

The meanness that has afflicted America is responsible for its domestic violence. It is also responsible for the violence

Americans inflict internationally. Meanness cannot be compartmentalized. There is no such thing as a nice, mean fellow. No mean person is nice; nice guys are never mean.

The germ that carries this affliction is the predominant political economy fostered by the commercial, political, and economic communities. Capitalism is an extractive activity that exploits workers and consumers and has never succeeded in serving the needs of any nation's entire population. Marketing is a universal lie. People always fall through the cracks in institutions and the institutional elite care nothing about those who drop. Capitalist societies always consist of first and second class citizens; they are characterized by people who agree with Henry Vanderbilt's statement, "The public be damned." And the public is and always has been. America's elite have never sacrificed anything for this people in general.

Commercial competition does not foster concern for others. Individualism fosters antagonism. Looking out for number one always ends up denying what is needed to number two. Charity is not a commercial virtue. Capitalism is institutionalized meanness. It is the primeval miasma manifested in greed. It is the disease that makes human beings inhumane, and it is fatal.

Why then would those in other nations look up to America and want to emulate its culture of meanness? Why aren't they revolted by it? Why won't they simply stop being led by their noses?

There can only be one answer. The meanness has not only afflicted America, it has afflicted others too. The primeval miasma transcends national borders. That is the tragedy of being human.

Unless the meanness that pervades human societies can be ameliorated, no human society will ever be worthy of being called a force for good in the world. The violence in America, or anywhere else, will never be substantially reduced until the reduction of meanness itself, not its various means, becomes the object of human action.

## CAPPING JURY AWARDS IN CIVIL CASES

The move to put caps on awards is justified as a way "to put an end to frivolous lawsuits that are forcing doctors in Texas out of business." Even if "frivolous medical malpractice lawsuits cost the health care system \$1 million a day," capping malpractice awards won't reduce their number, for lawsuits that convince a jury to award huge amounts cannot be considered frivolous. If such suits were frivolous, what would a serious lawsuit be?

Second, law firms are private businesses that derive their income from civil suits by charging a percentage of the award. If the awards are capped, lawfirms' incomes will be reduced and that can only encourage such firms to file more rather than fewer lawsuits.

If there are frivolous lawsuits in the system, many of them surely are the appeals of jury awards made by defendants who have lost their cases. The only reason these appeals are filed is that the defendants know that our appeals-court judges are apt to reduce the amounts awarded. And that is a practice which also makes no logical sense and reveals the disingenuousness of our judicial system.

Judges are often disinclined to overturn a jury verdict in a criminal case, because the jury not only heard the evidence but also observed the behavior of the witnesses which often conveys information about their credibility. But jurors in civil cases are selected from the very same jury pool which jurors in criminal cases come from, and civil and criminal juries hear evidence in identical ways. So no judge can logically be inclined to overturn a civil award and also be disinclined to overturn criminal

sentences. The only difference in the two types of cases is the standing of the defendants. The defendants in civil cases are quite often big contributors to political campaigns, while those in criminal cases are not.

So the upshot of all of this is that if you give this movement the analysis it deserves, the only conclusion that can be drawn is that the movement is really aimed at paying off insurance companies for their political contributions.

But people have a way of outwitting the system, and capping awards may be a cure that turns out to be worse than the disease. Just ask yourself what will happen when juries understand what is going on and begin awarding all plaintiffs maximum amounts? What will the legislators, judges, and insurance companies say then?

## CONGRESSIONAL CORRUPTION

The Abramoff scandal raised quite an uproar in the Congress for a week or so after its revelation, and many Congressmen made bold pronouncements of their intentions to reform, all of which were dutifully reported in the mainstream press. But that press has said little about the backtracking those Congressmen have engaged in since then.

DON MONKERUD has nicely cataloged the entire affair in an article titled, *Not a Roar, But a Whimper* which can be read at [www.counterpunch.org](http://www.counterpunch.org).

But Congressional corruption is old hat to Americans. So old hat that it is difficult to arouse their ire. Since as far back as 1892, and perhaps even earlier, it has been a political issue. In that year, the Populist Party's platform stated that "Corruption dominates the ballot-box, the Legislatures, the Congress, and touches even the ermine of the bench." In 1911, the Progressive Republican League wrote that, "Popular government in America has been thwarted and progressive legislation strangled by the special interests, which control caucuses, delegates, conventions, and party organizations; and, through this control of the machinery of government, dictate nominations and platforms, elect administrations, legislatures, representatives in Congress, United States Senators, and control cabinet officers." President Wilson said, on March 4, 1913, "The great Government we loved has too often been made use of for private and selfish purposes. . . ." In 1924, the La Follette platform stated "The great issue before the American people today is the control of government . . . by private monopoly." And the Democratic platform of 1932 said, "We condemn paid lobbies of special interests to influence members of Congress and other public servants. . . ." If there ever was a chance to reform the Congress, it was in 1933 when the

Democrats who ran on this platform held an 80% percent majority in the House of Representatives and a 61% majority in the Senate. Alas, it never happened.

So why after at least 114 years of complaints of corruption in Congress has the Congress done nothing to reform itself and does not seem to be about to do anything about it today? What can we say about the character of those who hold Congressional offices and act in this way? Well let's look at what we know about our Congressmen.

The Washington newspaper, Roll Call, published a list of the 50 wealthiest. In order to even to be considered for inclusion on the list, a Congressman's wealth had to exceed \$3 million. It has been said that a third of the Senate and one-seventh of the House are millionaires. Yet these people pay themselves between \$162,100 and \$208,000 per year; while the minimum wage for working Americans has been stuck at \$5.15 per hour for the last ten years, which comes to about \$10,000 a year. Let a Congressman try living on that.

While the Social Security program is in financial trouble and health care is beyond the financial reach of many Americans, the Congress has voted itself both a retirement plan and a health care plan.

Now I ask you, why would Congressmen whose individual wealth exceeds 3 million need retirement and health care plans? Why do they need salaries? What ever happened to the wealthy public servant who was willing to serve for a nominal one dollar a year?

Of course, the perks that lobbyists confer on Congressman increase their incomes too. Why do millionaires need these perks? What kind of people would not only accept them but also refuse to reform the system?



Randolph Horn, a professor of political science at Stamford University, has said, "A lot of politicians might have sufficient wealth that they would be considered independently wealthy. Many would be wealthy enough to not have to work, but they choose to." Work? Many of these people have never worked a day in their lives. Oh, yes, they put in a lot of time at the taxpayer's expense, but work? Please provide a list of their accomplishments in effective legislation.

These are the people who advise the least literate among us to read the fine print in contracts, but they regularly vote on legislation so voluminous that not a single Congressman has read the legislation cover to cover before voting.

The overall approval rating of the Congress stands at a whopping 37%. If that were a grade in a college course, they would be failures. With such an approval rating, why don't these Congressmen consider themselves failures?

Americans are under the misapprehension that the right to petition the government is upheld in the U.S. Constitution. But that is not what the Constitution says. It instead provides the right of the people . . . to petition the government for a redress of grievances. It does not provide the right to petition the government for special advantages; yet that is precisely what lobbyists do. To my knowledge, this clause of the Constitution has never been adjudicated. I wonder why.

It is customary in America to refer to Congressmen as Honorable in forms of address. What a linguistic travesty! And there lies the rub. If the American people would start referring to their Congressmen as the Dishonorable Mr. So and so, perhaps those Congressmen would get the message. It is often said that the truth shall set you free. So why don't we call them what they are? After all, the only valid conclusion one can draw from the facts mentioned above is that Congressmen are not in the game to be

public servants; they are in the game for the money, and that being the case, they will never reform themselves.

Yet a lot could be done without Congressional cooperation. Independent organizations, such as Common Cause, could get together, hire a bunch of private investigators to not only keep tabs on the doings of these 535 people but also investigate the backgrounds of all political candidates, and publish the results in ways that make those results known to the American people. Legislatures advocate background checks for people in many lines of work. Why not background checks for politicians? Five hundred and thirty five people are not a lot of people to keep track of, and even if those in the legislatures of the states are included, the number is not huge.

Candidates could be asked to pledge that they will not accept gifts from lobbyists, and if they violate this pledge when elected, their violations should be made into campaign issues in reelections.

Congressmen who have accepted gifts from lobbyists could be asked to explain why they thought they needed those gifts, and their explanations, if forthcoming, could be given critical scrutiny. But even so, none of this might work, because one of the things those Congressmen are famous for running on is the pork that they succeed in bringing back to their districts. That pork influences people; yet everyone fails to realize that such acts are themselves corrupt. This pork buys off the public just as special interests buy off the Congress. So to stay in power a corrupt Congress corrupts the people, but the pork the people get is never enough for a solid meal.

A movement is needed; perhaps a movement that starts small and begins by referring to Congressmen truthfully. When they are seen to be dishonorable refer to them as such. When they stand for questions, ask the embarrassing ones. When they

answer with nonsense or evasions, call it to the public's attention. If the Congress won't reform itself, perhaps we can shame it into reform. Reform is within the power of the American people; all they have to do is exercise it. The motto of the movement could be, Make a Congressman Blush.

## FOOLS' RULES

In Mesquite, TX, a four-year-old boy was sent to in-school suspension because the length of his hair was below his collar and his ears. The school questioned whether he should be allowed to attend preschool with other children, because the school district has a rule requiring the length of boy's hair to be above the collar and ears. Many consider this rule to be absurd, asking what has a student's hair got to do with his education? The school board justifies the rule by saying that boys' hair can be a disruptive influence in the classroom, but many doubt that four-year olds pay much attention to the hair-lengths of their playmates.

A New York City fourth-grader was sent to the principal's office and nearly suspended for bringing a two-inch plastic toy machine gun to school. The school district has a no tolerance policy on guns, even toy guns because they can be mistaken for real ones. The school's actions were subjected to ridicule, because no one could ever mistake a two-inch toy gun for a real one.

In Seattle, a fifteen-year-old girl was accused of brutally beating another young girl in a bus tunnel as security guards stood by and did nothing. The company employing the guards says they acted properly, because they had been given a rule to follow which states that they were to merely "observe and report" incidents. Citizens of Seattle and elsewhere who saw a video of the beating were outraged.

A few miles past Sharon Springs , KS, a wheel bearing on a train carrying coal became overheated and melted, letting a metal support drop down and grind on the rail, creating white hot molten metal droppings. The crew noticed smoke and immediately stopped the train in compliance with the rules. But the train was over a wooden bridge with creosote ties and trusses.

The crew asked higher-ups to allow them to move the train but were instructed not to. "The Rules" prohibit moving the train when a part is defective! The bridge caught fire and burned down.

Rules, again and again, produce results that strike most people as wickedly unfair, unjust, and plainly stupid.

These four incidents (many more could be cited) raise a longstanding issue in jurisprudence: should legal systems be based on rules or principles?

The debate on this issue is extensive and confusing. Rules and principles, it is claimed, are not easily distinguishable. The Golden Rule, for example, is really a principle and not a rule at all. So is the Hippocratic Oath. Principles, it is claimed, are often ambiguous. When a physician, for example, is asked to swear that s/he will "prescribe regimens for the good of my patients according to my ability and my judgment and never do harm to anyone," how is someone supposed to interpret "for the good of" and "never do harm"? Some claim that rules, because they can be stated more precisely are better. But are they? Are the three rules involved in the examples above better? The people who reacted adversely to these situations don't think so.

Under the new federal tobacco law, cigarette companies will no longer be allowed to use words like "light" or "mild" on packages to imply that some cigarettes are safer than others. So, "tobacco companies plan to honor the letter of the law but to shade the truth." They plan to use light-colored packaging for light cigarettes. So Marlboro Lights will be renamed Marlboro Gold and be packaged in a gold-colored box and Marlboro Ultra Lights will be named Marlboro Silver and be packaged in a silver-colored box. I suppose that if there were a brand named Marlboro Heavy, it would be packaged in a box colored lead grey.

Rules can be as troubling, perhaps more troubling, than principles. First, once someone knows what the rule is, an easy way to avoid obeying it can often be found. Many legal firms build their entire practices on teaching companies how to do just that. Second, no rules-writing body, such as a legislature, can possibly anticipate all of the ways in which a rule can be circumvented which gives rise to what are normally called loopholes. Loopholes are nothing but ways to break the law without breaking it. Rules based systems often merely provide people with ways to legally break the law, destroying the law's effectiveness.

Companies use rules in this way all the time. A company can market a harmful product and claim that it did nothing illegal, arguing that the product conformed to all the required safety regulations. In fact, there are even absurd examples. Some decades ago in Germany, a fast food hamburger chain was sued for having sold hamburgers made with spoiled meat. The company was acquitted when it proved that there was no meat in its hamburgers. That hundreds of people were sickened made no difference.

Often overlooked is a distinction between rules and principles that is rather obvious. Rules can be arbitrary; genuine principles cannot. For instance, in some countries, motor vehicles are driven on the road's right side, in others, on the left side. Each rule regulates traffic successfully. A country's choice of which rule to adopt is entirely arbitrary. A principle, on the other hand, must have some logical or moral foundation, it must embody a sense of rightness. For example, a person's privacy shall not be violated can function as a principle, because privacy by definition means "the quality or state of being apart from company or observation." So even secretly observing a person in private is an intrusion that renders the situation no longer private. Privacy is not privacy

when it is intruded upon. To secretly watch a person in his own private circumstances lacks a sense of rightness; it just seems wrong; it is a logical contradiction.

The rules exemplified in the examples above lack this sense of rightness. Invoking them gives rise to the feeling that a wrong has been done. So what the controversy over rules and principles based legal systems really comes down to then is the legal system's goal. Is its goal to enact rules that authorities want people to obey or is it to outlaw wrongdoing? If it is the former, the law can be used by authorities and governments to make people conform, it is the way autocrats govern, and it is used for other malevolent purposes.

When school-district authorities, for instance, impose rules that have no direct educational purpose on students, they are imposing conformity, not educating, even if the rules are justified as necessary for some other purpose such as orderliness or security. But conformity and freedom are not compatible concepts.

Governments do the same thing. Conformity can be imposed and freedom extinguished by the enactment of rules that are seemingly justified by appeals to orderliness or security. Many believe that this is happening in America today. Are Americans giving up their long cherished freedoms for the sake of security? If so, the rules-based legal system is what provides the government with the means for doing so.

Moral decisions are, of course, often difficult to make, especially if one thinks in terms of one or another of the established moral doctrines. But principles based on logic or morality are not hard to write. All that is required is to ask the person proposing a principle to provide its logical or moral justification, to prove that the suggested principle is not merely an arbitrary rule.

Legal systems based on rules have sadly led to the disintegration of the old-fashioned common, non-legal idea of justice. Rules-based systems turn people into sheep and make it possible for people to live without having to make moral choices. The majority of people pay little attention to how and why rules are made. They do not ask, they scarcely seem to care, which rules are good and which are bad, which are a help and which a nuisance, which are useful to society and which are not. Perhaps most people prefer that, but if so, any hope of ever alleviating the human condition must be abandoned, since sheep are easily led to the sheering.



## HAS THE CONSTITUTION BEEN SUBVERTED?

Americans like to brag about our wondrous Constitution and how it has survived for more than two centuries. But there are very good reasons to conclude that this nation bears only a superficial resemblance to one the founders meant to create.

In 1787-88, there was heated debate about the Constitution's merits. This debate is chronicled in the Federalist Papers. In Number 9, Hamilton writes that "A firm union will be of the utmost moment to the peace and liberty of the States, as a barrier against domestic faction and insurrection." I have emphasized the words domestic faction . He argues that "The regular distribution of power into distinct departments; the introduction of legislative balances and checks; the institution of courts composed of judges holding their offices during good behavior; the representation of the people in the legislature by deputies of their own election . . . are means, and powerful means, by which the excellences of republican government may be retained and its imperfections lessened or avoided."

In Number 10, he writes, "Among the numerous advantages promised by a well-constructed Union, none deserves to be more accurately developed than its tendency to break and control the violence of faction. The friend of popular governments never finds himself so much alarmed for their character and fate, as when he contemplates their propensity to this dangerous vice. . . . Complaints are everywhere heard . . . that the public good is disregarded in the conflicts of rival parties, and that measures are too often decided , not according to the rules of justice and the rights of the minor party, but by the superior force of an interested and overbearing majority. . . . A zeal for different opinions concerning religion, concerning government, and many other points, as well of speculation as of practice; an attachment

to different leaders ambitiously contending for preeminence and power; or to persons of other descriptions whose fortunes have been interesting to the human passions, have, in turn, divided mankind into parties, inflamed them with mutual animosity, and rendered them much more disposed to vex and oppress each other than to cooperate for their common good. . . . But the most common and durable source of factions has been the various and unequal distribution of property. Those who hold and those who are without property have ever formed distinct interests in society. Those who are creditors, and those who are debtors, fall under a like discrimination. A landed interest, a manufacturing interest, a mercantile interest, a moneyed interest, with many lesser interests, grow up of necessity in civilized nations, and divide them into different classes, actuated by different sentiments and views. The regulation of these various and interfering interests forms the principal task of modern legislation, and involves the spirit of party and faction in the necessary and ordinary operations of government."

How many of these pernicious effects of faction do you see at large in America today?

1. The public good is disregarded in the conflicts of rival parties
2. Measures are too often decided , not according to the rules of justice and the rights of the minor party, but by the superior force of an interested and overbearing majority.
3. A zeal for different opinions concerning religion, and many other points, have, in turn, divided mankind into parties and inflamed them with mutual animosity,
4. The various and unequal distribution of property.

So if you see these in American society today, they can only be attributed to the failure of our elected officials to carry out the principal task of modern legislation.

But faction has had other more direct pernicious effects on our Constitution, which was meant to create a nation whose government was made up of three separate and distinct branches of government, each of which was meant to be a check on the others. But when two or more branches of government are controlled by persons belonging to the same faction, the responsibility of one branch to check the others is dissipated. So the ideology of faction rules; the government exists, not for all the people, but for merely some of the people, which exacerbates conflict and ultimately leads to ruin. Will America share the fate of those other Classical republics Sparta, Athens, Rome, Carthage, Venice, and Holland that this nation's founders understood only too well and hoped to avoid?

This trend toward factional government is not the result of any sinister conspiracy. All of our political parties, except the earliest, the Federalist, have promoted it. This growth of faction in government is the result of changing circumstances and insufficient attention paid by Americans to the motives and concerns of the nation's founders.

But government by faction often results in government by ideology, because ideologists don't care what the facts are. But ignoring facts when engaged in developing public policy is always dangerous. Sometimes it merely results in ineffective legislation; but history has shown that it can also lead to catastrophe. Anecdotal evidence suggests that our nation's governments, on both state and national levels, are developing policies on ideological rather than rational principles. This suggestion is supported by the large number of social issues that the legislatures and the Congress have considered numerous times in the past half century that have resisted amelioration. Crime, healthcare, illegal immigration, the war on drugs all fall into this class.

Take healthcare as an example. The Economist regularly publishes the amount spent on health care per capita by country. For several years, the charts have shown that Americans spend more for healthcare than the citizens of any other nation, and, in most cases, we get less for it. Furthermore few seem satisfied with the current system. People are dissatisfied because it doesn't cover the entire population, insured people are dissatisfied because their costs are not only too high, they continually get higher. Employers that provide insurance are dissatisfied for the same reasons. Providers, doctors and hospitals, are dissatisfied because the reimbursements are too little. One would think that all of these groups together could apply enough pressure to bring about effective change, but they do not because of the ideologies involved.

What kinds of arguments do we hear from the opponents of change? First, people ought to be able to choose their own doctors. Second, the private sector is more efficient than the public. Third, government should not regulate prices.

Now let's look at the facts.

First, the present system only superficially gives us the right to choose our doctors, because, on the one hand, insured persons must select doctors from lists of approved providers unless they are willing to pay even higher costs, and on the other hand, doctors rarely practice alone anymore. They practice in groups. And although you can select a specific doctor from a group, that doctor may not be on duty when you get sick or are in an accident.

Second, anyone who has ever worked for a private firm knows how enormously inefficient companies can be. The people in private industry come from the same general population that government workers come from, and efficiency is, in the long run, a person-attribute. It is people who are efficient or inefficient. In

theory, private industry is more efficient than government, but not in practice, and the current system is rife with inefficiency. Different insurers require different claim procedures and have different authorization requirements. Each insurer has its own bureaucracy to support, and each must take money out of the system as profit.

Third, the current system is inconsistent about not regulating prices. It certainly regulates the prices that physicians, hospitals, and other providers receive. But it doesn't regulate the prices of drug and other providers. Why not?

Other nations can provide healthcare to more people at less cost simply because they have abandoned these ideological principles. And as long as American policy makers continue to hold them, America will never have an effective medical delivery system.

Similar analyses can be provided for why Americans have not been able to reduce crime by means of our current system of punishments, for why we have not been able to win the War on Drugs, and why we have not been able to stem the flow of illegal immigrants. Yet all of these problems can be solved, some more easily than the others, by basing solutions on facts, and none of these problems can be solved by enacting ideology into law.

The people who founded this nation knew that the ideologies of factions are not only a pernicious influence on government, it led all previous democratic and republican governments to their destructions. Our present political leaders apparently don't know how pernicious factional government is, and as a consequence we are repeating history rather than learning from it.

## HOW THE COURTS ABET SOCIETAL CONFLICT

*A legal system that can confer rights but not ensure that they can be enjoyed is a cruel hoax.*

Thinkers are rare, but stinkers abound in the legal profession.

Consider the sentence, Ours is a nation of poems. Do you have any idea of what it means? Or the sentence, Ours is a nation of clichés. Or the sentence, Ours is a nation of aphorisms. These sentences can be likened to Rorschach inkblots. People can ascribe meanings to them but no one can possibly know if the ascribed meanings are in any way similar to those I had in mind when the sentences were written. Every combination of English words does not produce a meaningful sentence. So what about, Ours is a nation of laws? Its form is exactly like the form of the previous three. Does it have meaning? Some lawyers, including President Obama, believe it does. They also believe it says something about America that distinguishes this country from others. Yet it might not have any meaning at all.

Wikipedia puts it this way: "The rule of law is the legal principle that law should govern a nation, as opposed to being governed by arbitrary decisions of individual government officials." But does America exemplify this normative principle? Certainly not in any clear way.

First of all, nothing definitive can be concluded from how a law is enacted. Sure, monarchs can issue very arbitrary laws. So can legislators. A law's definitive characteristic is whether or not it is just or fair or morally right. A law promulgated by a group (a legislature or a court) that is none of these is not an appropriate rule in any society, autocratic or democratic. Secondly, the laws being promulgated by our legislators and judges are clearly

ideologically motivated. So is the opposition to them, and those whose objections to any case or enacted law are not likely to willingly obey it. Therein lies the foundation for enduring conflict.

The legal system in America came into being in a haphazard fashion in England in the seventeenth and eighteenth centuries. England at the time was an absolutist monarchy. The system of law that came into being is called the common law. It was brought to this country by the colonists in a pushcart age. Pushcarts have not endured but the common law has. It has no affinity to democratic principles whatsoever. The federal courts are not staffed by elected officials. They are appointed by ideological politicians and they usually serve for life. When the Supreme Court decides a case, it cannot be challenged. No recourse exists except Constitutional amendment.

In addition to the Supreme Court, there are twelve circuit courts, which introduces a great deal of arbitrariness into the system. For instance, if a law is declared unconstitutional in one circuit, say the ninth, the law is only unconstitutional in the states in that circuit, not in the rest of the country. So the result is a law that is both constitutional and unconstitutional at the same time. Does that describe a country ruled by law rather than men? If so, what law rules it?

But look at what is revealed if the situation is embellished slightly. Suppose that the constitutionality of the same law is brought before two circuit courts and they issue diametrically opposed opinions. How is that possible? The ninth and fifth circuits do it frequently. That can only happen when the justices on these courts base their opinions on different "rules." That possibility exists because the choice of rules is done arbitrarily. No list of rules for justices to choose from exists. What they do is

search through opinions issued by courts previously and pick those that serve their purposes.

The practice of basing opinions on such rules is derived from a common law principle called *stare decisis* which in Latin means let the decision stand. The principle was used in an attempt to ensure the consistency of the body of common law. In America, the expression has a different meaning – relate each opinion to a previous opinion. The Latin expression has come to mean this because from time to time, opinions have been motivated by different ideologies. After more than two hundred years of opinions, justices can select whatever rule that conforms to their own ideologies from the many that have been held by justices in the past. The process is totally arbitrary and subjective. Does it describe a nation being ruled by law or a nation being ruled by men? There is but one possible answer. Perhaps since its inception but certainly since 1803 when Justice John Marshall issued the decision in *Marbury v. Madison*, this country has been a sixteenth century judicial oligarchy masquerading as an enlightenment democracy, and the oligarchy has led this nation deeper and deeper into a state of decadence.

Despite the founding fathers having warned against it, America is now an ideologically fractured nation. The number of its factions is too large to easily count. More than a score of religious factions exist, each differing from the others in some ideological respect. Political factions exist as do legal, economic, social, and commercial factions. I personally have no hope of even mentioning them all. Most have ideological objections to some opinions issued by the Supreme Court. Various lists of "the Worst Decisions" are easily found. Ideologies clash even in the courts, and those with ideologically motivated objections to a decision



are not likely to try to make it easy for those favored by the decision to benefit from it.

After the Civil War, a number of amendments to the Constitution were ratified that gave freedom, citizenship, and all the rights available to whites to former slaves. Those in the defeated states of the Confederacy who continued to hold a master-slave ideology set out to prevent the former slaves from enjoying those rights. Jim Crow, his siblings, and their children traveled far and wide inducing legislators to enact legislation for that purpose. The concept of Jim Crow legislation was born. Laws requiring separate facilities for each race, poll taxes, employment regulations, and many others were enacted to make it difficult for former slaves to attain their rightful places in society. That practice endures. The Crow family is very large. More than a century has passed and Lincoln's house divided is still divided, and the politicians and courts have done very little to unite it. The Supreme Court has even recently exacerbated the divide in its decision of *Shelby County v. Holder* (2013) by again making it possible to question the voting rights of many individuals who have voted for decades. Jim Crow's children are alive and well! Enacting Constitutional Amendments did not resolve the issue. It continues to this day.

In 1954, the Supreme Court ruled that the segregation of the public schools is unconstitutional. Those in America with a racial purity ideology began enacting Jim Crow legislation meant to keep the races separate. The long-held principle of neighborhood schools was abandoned and the establishment of alternative schools was encouraged. Done under the guise of educational reform, integration was effectively blocked and the segregation of school children is greater today than in 1954. Although school reform is still a topic of discussion in educational and political

circles, the quality of education has not improved markedly. Jim Crow's children have won again! For sixty years, they have frustrated the Court's decision, and the conflict continues.

In 1973 a decision in *Roe v. Wade* gave women the right to abortion under certain conditions. *Roe v. Wade* challenged the constitutionality of Texas' abortion laws, but even today, women in Texas cannot easily acquire an abortion. The Texas legislature has enacted such stringent requirements for clinics that offering abortions must meet that few such clinics exist. Forty years have passed and the women of Texas cannot access a constitutional right to which they are entitled. Oh, that Jim Crow family! Despite the ruling, the dispute between pro-life and pro-choice groups continues. The Court decided a case but did not resolve the issue.

The upshot is that trying to use the law to resolve ideologically motivated disputes can be likened to trying to smooth rough waters by using sandpaper. The sanding only irritates the antagonists.

Yet a legal system that can confer rights but not ensure that those rights can be enjoyed is a cruel hoax. No black person in this country is a full-fledged citizen, not even Clarence Thomas who sits on the bench of the highest court. No woman in Texas or any person anywhere whose right to vote can be questioned is a full-fledged citizen of this country either. Numerous such groups of quasi-citizens exist and the courts stand by seemingly helplessly. Members of the judiciary and perhaps the entire legal profession don't care if the system's results are just or unjust. Their only concern is implementing a seventeenth century legal ideology without subjecting it to critical scrutiny. They are caught in a web of thoughtless conventionality.

Chief Justice John Marshall in *Marbury v. Madison* established the standard for the operation of the courts in America. He not only made the Constitution into whatever the Court wants it to be ("It is emphatically the province and duty of the judicial department to say what the law is") and he refused to grant Marbury his commission that even the Court deemed he was entitled to. Most people would consider that some weird kind of justice, even an injustice, but America's courts have been practicing it for over two centuries. Why did Marshall do it? Because he wanted to. Why do the courts still do it? Because the justices who sit on their benches want to. It's as simple as that.

Is this country ruled by law? Not by a longshot! It is not the country that Americans pledge their allegiance to. That nation is one nation, indivisible, with liberty and justice for all. Is it a myth? If so, shouldn't those who are called upon to shed their lives for it know?

## ILLEGAL IMMIGRATION AND OTHER INTRACTABLE SOCIAL PROBLEMS

On March 31, 1596, a child, named Rene, was born in the French village of La Haye en Touraine. In 1684, a work of his titled Rules for the Direction of the Mind was posthumously published. Today he is known as the French philosopher, Rene Descartes, and on the 2nd of October, 1802, the village of La Haye en Touraine was renamed Descartes in his honor. Together with his Discourse on Method which was written in 1637, Rules for the Direction of the Mind lays out a method for solving problems that has never been surpassed. If the American educational system were not mediocre, Americans would be familiar with this method and applying it would have given them an efficient way of attacking social problems. In the absence of this knowledge, however, Americans have instead developed ways of obfuscating problems to such an extent that solving them has become impossible.

To illustrate this method of obfuscation, consider the controversy over illegal immigration. People, on one level, see the problem as so simple that the controversy defies explanation. People who break laws, when caught, are punished in one way or another, presumably in hope of getting them to conform, and no good reason exists for excluding illegal immigrants from this practice. When a government is blind to one form of illegality, all legality becomes suspect.

But then the obfuscation begins.

Illegal immigrants, we are told, alleviate a labor shortage. Yet no signs of a labor shortage exist. Jobs are not going unfilled and wages are not rising.

Illegal immigrants fill jobs that Americans refuse. But since the wages for these jobs are not rising, no evidence exists that

Americans won't take them. If market forces were allowed to work, wages would rise and then and only then could we determine that Americans won't work those jobs. But the business community that talks the talk of free-market economic theory won't walk its walk.

Illegal immigrants are merely decent, hard-working people only trying to make a better life for themselves. Well, some are and some aren't. When a person illegally crosses the border into the United States, there is no way of knowing if s/he is coming for a low-paying job or for the promise of highly rewarding crime.

When illegal immigrants, many of whom have sired children in the United States, are deported, families are broken up and children, who are here because of no fault of their own, are left without a parent or parents. Since Americans, so they say, don't punish children for the crimes of their parents, deporting illegal immigrants is unfair, since it punishes their children. But it is untrue, of course, that the children of criminals are not punished for the crimes of their parents. Although not legally punished, they suffer in countless ways. If we don't protect the children of ordinary criminals from such hardship, how can we justify protecting the children of illegal immigrants?

Illegal immigrants contribute more to the economy than they extract. Although the accuracy of this claim is dubious, suppose it's true. Everyone who acquires money, whether legally or illegally, contributes to the economy when the money is spent. How could one determine, for instance, if Al Capone contributed less to the economy than he acquired? How many people did his criminal syndicate employ? How large was the magnifier effect of the wages they were paid? And if we had determined that he, in fact, contributed more to the economy than he took from it, would that have justified overlooking his criminal behavior?

Finally we are told that we must surely feel sorry for these people. Having endured the hardships of coming to America illegally, having endured the low wages and horrible working conditions of the jobs they take, and having endured the discrimination they have been subjected to, must we not feel sorry for them? We must surely feel doubly sorry for their children. Well, yes, of course, we should feel sorry for them, but we have reason to feel sorry for many groups of people. Shouldn't we feel sorry for the many that endure illnesses but have no access to medical care? Shouldn't we feel sorry for the families that are losing their homes because of the actions of unscrupulous lenders and inattentive government regulatory agencies? Shouldn't we feel sorry for the homeless? Shouldn't we feel sorry for maimed veterans? Shouldn't we feel sorry for those who work for minimum wage? Shouldn't we feel sorry for the elderly who must live on social security, or the impoverished who must live on welfare, or the unemployed who must live on unemployment compensation? In truth, if we are to invoke sorrow, we can find good reason to feel sorry for a huge number of Americans, and many of us do, but there is little that we can do about it. Why should it be different for illegal immigrants?

We are told that we can't deport millions of people. Why do we have to? They came here without our assistance; if they discover that jobs are unavailable, why does anyone suppose they won't leave without our assistance?

And finally, we are told that rounding up illegal immigrants is a form of racial discrimination or profiling. But is it? When I was a boy, I lived in a part of Pennsylvania that was, at the time, environmentally unspoiled. The hills and woodlands that surrounded our town were replete with wild berries every summer, and we all picked them. There were blackberries, raspberries, and especially blueberries which were the most

numerous. So when we went berry picking, although we picked all kinds, we usually come home with greater numbers of blueberries. Were we engaged in berry profiling? When people go out searching, they find the most of what is most prevalent.

I am not anti-immigrant. I am a first generation American son of immigrant parents. I have a son-in-law of Mexican heritage and three darling grandchildren who are officially classified as members of a minority, although you'd never know it by watching the way they act or listening to the way they talk. They know no Spanish, although I, not being Hispanic, do; they know nothing of Latin culture, although I not only do, I admire it; they have no understanding of how the Southwest became part of the United States, although I do and believe it to have been unjustified. My two best friends are of Mexican decent, and my favorite ballroom dance teacher is too. I prefer Latin music, especially Cuban to American, and I read the works of Latin writers. Yet I do not believe the illegality of immigrants should be overlooked. Not because I don't have sympathy for them but because I fear both for them and for the rest of us if we don't put an end to it.

Immigrants are always happily welcomed in prosperous times. But when economies slump, immigrants, especially illegal ones, become targets. And it is not a coincidence that the current furor over illegal immigration is simultaneous with our declining economy. If this economy should go under, as many believe it will, discrimination will sprout like Jack's beanstalk. Race relations could get very ugly.

The America known as a melting pot was never a real place. Many other nations have carried out racial melding far better than America has. One hundred years after the Emancipation Proclamation, our black population was legally discriminated against and still is, albeit illegally, in many ways, today. In every

period of mass foreign immigration, immigrants faced discrimination, and there is no reason to believe that they won't again. That all larger nations are merely pseudo-communities invented and imposed by nation-building elites has often been pointed out. Such nations are entities unable to command the public's loyalty and support or display a willingness to endure sacrifices. In *The Social Conscience*, Michel Glautier asks: "can a caring society exist in a market economy?" His analysis suggests that recent and continuing changes to our market economy are putting a caring society beyond reach. If he is right, and if the American economy is in decline, this caring society beyond reach will not act kindly to immigrants, especially illegal ones. For that reason alone, our problem with illegal immigration must be resolved or both our illegal immigrants and the rest of us will have hell to pay. Obfuscating the issue does not help.



## INDICTING THE SUPREME COURT

Grumbling over the Supreme Court's recent decision in *Citizens United* continue to rumble like distant thunder. Will the decision go down in history as one more in the Court's long line of egregious opinions? Likely! Will it have much effect on the American political landscape? Likely not! Simply ask yourself, how much worse can it get?

There is scant evidence that the Congressional attempts to limit corporate expenditures in electioneering have had any effect in reducing corporate influence in government. Expecting the Congress, most if not all of whose members reside deep in corporate pockets, to eliminate that influence can be likened to expecting the rhinovirus to eliminate the common cold. Corporate money is the diseased life-blood of American politics; it carries its cancerous spores to all extremities.

The Supreme Court really should be named the Unbeseem Court. Without any Constitutional justification whatsoever, as Justice Holmes, dissenting in *Lochner*, pointed out, the Court has taken its task to be the constitutionalization of a totally immoral, rapacious, economic system instead of the promotion of justice, domestic tranquility, the general welfare, and the blessings of liberty. Consider this short list of examples:

- It is legal for a vendor to sell a product which does not work but illegal for a buyer to purchase a product with a check that does not work.
- During a corporate bankruptcy, the company's assets are distributed first to other companies and last, if anything remains,

to employees and even people who have obtained judgments from courts for company wrongdoing.

- If a homebuyer who has paid regularly on his mortgage for 20 and even more years, who has paid the property taxes and the property's insurance, is forced to default for no fault of his own, such as a death, serious illness, or economic collapse, the mortgage holder gets to keep all the money and gets the house too, transferring the risk that investors are supposed to bear entirely to the buyer.

- Entire industries can uniformly require consumers to accept contracts that require them to relinquish their legal and even Constitutional rights.

- And those industries can also uniformly require consumers to accept contracts that the companies can change in any way at any time for any reason without gaining the consent of the consumer. Has a consumer ever had such a right?

- Companies can collect personal information on people without their consent yet are allowed to keep company secrets even those which hide wrongdoing, as when a civil case is settled and the company involved is allowed to not admit to any wrongdoing and the court seals the detailed record.

For more, see my piece [How the Government Cheats Ordinary Taxpayers](#), but any astute reader can add items to this list.

These situations have one thing in common: each protects the company at the expense of the person. But nowhere in the Constitution is there any justification for the protection of the

interests of business; yet the Constitution clearly states that one of the purposes for which the nation was founded is to “establish justice.”

The Court’s opinions are exercises in obfuscation. Locating anything that can be called an argument is a daunting task. Claims are made and justified merely by citations to previous opinions. But this practice leaves behind the contexts and arguments of the cited cases. Unless one has a battalion of clerks, checking all the citations is practically impossible. Luckily, in *Citizens United*, Stevens, in dissent, has done the work. He clearly shows that the Court’s rationale lacks any logical basis and amounts to merely the claim that the Court’s majority finds the rationale in *Austin* not to be compelling. But this practice is ludicrous. To use one rationale that is not compelling to reject another that is not compelling can be likened to trying to refute a lie by uttering another. After all, the Court’s rationale in *Citizens United* was not found to be compelling by the four dissenting members. All split decisions are based on non-compelling rationales.

This practice has widespread, deleterious consequences, for it follows that most, if not all, of the nation’s case law has no compelling foundation. The nation then is not one of laws but one based on the personal predilections of the Court’s members. See *Corporate free-speech ruling speaks of shift in Supreme Court*. It accounts for the inconsistencies in the examples cited above and for the massive disrespect for law and the Court exhibited by the people.

Although Stevens has demolished the Court’s rationale, there is one important inconsistency that he overlooks. Kennedy, in the

majority opinion, quotes Douglas in *United States v. Automobile Workers*: “Under our Constitution it is We The People who are sovereign. The people have the final say. The legislators are their spokesmen. The people determine through their votes the destiny of the nation. It is therefore important –vitaly important– that all channels of communications be open to them during every election, that no point of view be restrained or barred, and that the people have access to the views of every group in the community.” But there is a more important conclusion that follows from the first three sentences of this quotation and the Court’s action.

Look at it this way. (1) The people are sovereign; they have the final say. (2) The legislators are their spokesmen. (3) The sovereign people have said on numerous occasions through their spokesmen that corporate financing of electioneering must be limited. Yet (4) the Court rejects such limitations which nullifies the people’s sovereignty. Instead of the people having the final say, the final say is the Court’s.

If the Court has the final say, then democracy in America is a sham. It simply does not exist and the Constitution has been subverted. No two ways about it: If the people don’t have the final say, the people are not sovereign. The Court has merely allowed the people to vote and the legislature to enact laws only to the extent that those laws don’t offend the sensibilities of the Court’s members.

But this subversion is not recent. It happened in 1803 when Marshall, in *Marbury*, wrote, “It is emphatically the province and duty of the judicial department to say what the law is.”

Unfortunately, no one objected, and from that moment on, the United States of America became an oligarchy.

In this sham democracy, the ruling oligarchy, taking upon itself the duty to constitutionalize a specific deleterious economic system, is chiefly responsible for America's ills. The legal system is unjust, domestic violence is prevalent, liberty is constrained, general welfare has been replaced by widespread adversity, and providing for the common defense has been reduced to providing for a military-industrial corporate complex. Not what the founding fathers had in mind!

Although the efforts to amend the Constitution to overturn Citizens United may be laudable, even if they succeed, the amendment will not solve America's fundamental problem. The Court will continue to rule. What's needed is a way to return sovereignty to the people.

Perhaps a Constitutional amendment stating that upon a petition of some percentage of the people, a decision of the Court is to be submitted to an up or down vote by the people in a referendum. Even such a procedure is not foolproof, of course, since referenda can be bought just as easily as elections. But the people would at least regain their sovereignty. The greater problem is the immorality that the Court has infused throughout American society. An unjust legal system breeds injustice. Everything known as virtuous is everted, and society is plundered.

Such a society cannot endure. As its wealth and resources are plundered, the nation disintegrates. Social problems abound, resources are exhausted, the infrastructure collapses, poverty increases, ideological conflicts are exacerbated, and the Congress

becomes dysfunctional. The nation drops lower and lower into Dante's Inferno. This nation which bills itself as the world's richest can neither provide the basic needs of its people nor pay its bills.

The Court's members write pious platitudes about the need to preserve the people's "faith in our democracy" and "in their capacity, as citizens, to influence public policy." If the court's members believe that the American people still have that faith, they have been living in the asylum too long. Consider low voter turnout, the claims of many of those who vote that they selected the lesser evil of two alternatives, the low approval ratings of the Congress, the widespread beliefs that the more things change, the more they things stay the same, that the nation is headed in the wrong direction, and that all politicians are liars and crooks. But, of course, to a ruling oligarchy, none of this matters, does it?

The greatest mistake human beings make in their endeavors is forgetting the goals of the enterprise. The founding fathers clearly stated the nation's goals in the Constitution's preamble. So J'accuse! Every decision of the Court and every law that has failed to advance the goals enumerated in the Constitution's preamble is facially unconstitutional. If "We the People" doesn't mean that the people come first, then it means nothing.

## **INSTRUMENTS OF REPRESSION: NATION OF LAWS, THE IMMORALITY OF TODAY'S GOVERNMENT**

"Laws were most numerous when the commonwealth was most corrupt." – Tacitus

For a society to be well governed, it's laws must be just and moral. The Ancients knew that "Those who are rightly governed . . . do not fill their porticoes with written statutes but only cherish justice in their souls; for it is not by legislation, but by morals that states are well directed." Nations that use repressive laws to exact conformity do so because they have no interest in perfecting society. Without an interest in perfecting society, morality has no content and nations disintegrate. What the world needs are fewer laws and more morals.

While reading a piece about Libya a few days ago, I found that Abdul Jalil has said that the new Libya would be a nation of laws. I immediately said to myself, "Oh dear, pity the poor Libyans. Ours is a nation of laws and look at the mess we're in."

I'm always amazed at how much more was known by our forefathers than seems to be known today. Read the federalist and anti-federalist papers and learn how much the founders of this nation knew about the democracies that had existed prior to 1775. These people not only knew what nations had tried democracy but why their democracies had failed. The hope was that Americans would avoid the things that had destroyed those democracies. But look at America's political establishment today and compare what you see to what the founders said. You will notice that all the things we were told to avoid have been adopted instead. Instead of learning from the past, we have reproduced it.

I am also always amazed at how much progress mankind has made in knowledge and how little progress it has made in social cohesion. In terms of societies, the world today is little different from what it was when the Greeks and Persians were hell bent on slaughtering each other 2,500 years ago. Today we have midget Alexanders attempting to conquer The Near East and Southern Asia just as Alexander attempted to. Alexander was far more successful than we. When he died, his generals divided his conquests into their personal realms but failed to make them into Greek colonies. Instead, the conquerors were quickly assimilated by the conquered. Instead of Palestinians and Egyptians becoming Greeks, the Greek conquerors became Palestinians and Egyptians. Today, in its attempt to export Western democracy, nothing has been accomplished except the installation of governments in Baghdad and Kabul that are as corrupt as those in London and Washington. The British put a corrupt government in India, and the Indian people are still paying the price. So how do these governments control their peoples. Well, they become nations of laws. Yet the language of law that passes for conventional wisdom is mostly meaningless. Nation of laws indeed!

Sometimes this expression is written as a nation of laws, rather than men, but the addition is hardly helpful. Aren't laws promulgated by men? The meaning of the phrase is at best obscure.

When an expression doesn't display its meaning on its face, it can mean whatever anyone wants it to. So ask yourself, what this expression's contrary is. Is it a nation without laws? Perhaps, but somehow that sounds wrong. Has any nation anywhere been without laws? Furthermore, can anyone point to a nation of laws



that is better governed than some other kind of nation? Are westerners better governed than Saudis or Mongolians or Tibetans? How would anyone collect evidence to answer the question?

The notion of law itself is not univocally clear. When anyone tries to think clearly about it, it becomes evident that even why it exists is enigmatic. Why do nations promulgate laws? To regulate behavior? No, laws don't do that; if they did, we would have no prisons. To distinguish between right and wrong? No, laws don't do that either; if they did the phrase "bad law" would be meaningless. People don't obey laws because they are promulgated. Laws are obeyed by people because they have no reason not to. When a law is violated and the violator is caught, the police always seek a motive, a reason? People are not inclined to do what they're told merely because they're told to. All that laws do is indicate how the establishment wants people to behave. What happens when people don't want to behave that way? Well, a lot of laws are broken.

And what about law enforcement? What do police do when they engage in law enforcement? They certainly don't compel obedience. They're not even involved until a law has been violated.

Since neither the promulgation of law nor its enforcement compels behavior of any kind, why do we have laws? Because they provide justifications for punishing nonconformity, meting out retribution to those who refuse to conform. Law is just a way of telling people how those in control of a society want the society's members to behave and of justifying penalties as a means of trying to compel compliance. Law is mostly just an instrument of repression. The more laws promulgated, the more

repressive the state, and when the police “enforce” laws, only the establishment’s position is being protected. Just look at what the police protect when dealing with the Occupy movement. Certainly not the demonstrators. They are confronted by police clad in more armor and holding more powerful weapons than the American infantryman possessed when he landed on Omaha beach. If laws are instruments of repression, those who enforce them also are instruments of repression. Your neighborhood policeman is not there to protect you, he’s there to get you to conform to the establishment’s wishes and protect the establishment’s values. The same is true of armies. Ask yourself why so many nations that have no belligerent neighbors have armies and how many have used their armies to suppress popular dissent.

Only societies in which social order is lacking require numerous laws. If order exists in a society, law is unnecessary, and if law is necessary, order is absent. Law and order are incompatible concepts. Societies with huge amounts of law are comprised of a lot of people who are unwilling to voluntarily comply with the ruling class’ wishes, so the governments of such societies attempt to compel conformity by enacting laws that micromanage behavior and become more and more repressive. Ultimately such societies collapse.

Non-conformity in the United States is astronomical: Richard Posner in the November 17 issue of the New Republic writes, “the percentage of our [U.S.] population that is incarcerated is the highest of any country in the world; . . . it exceeds by factors of 4 to 7 the percentage incarcerated in any of our peer countries.” In fact, crime in America has reached a level of absurdity. Americans are reaching the point of having to release a

previously incarcerated person to make room for a newly convicted one (see California). If things continue as they have, the threat of incarceration will be completely empty and sentences become absurd. So compelling conformity to society's wishes can not be and has never been effective. (Compare the Stalinist Gulag.)

As a society, the United States is in disarray. Its foreign policies have made it necessary to protect Americans from foreign "terrorists" while our domestic policies have made it necessary to protect Americans from other Americans. But no society that must protect itself from everyone can possibly be said to be well governed. There are many ways to show that the United States is a failed state. It's use of laws is one of them.

For a society to be well governed, its laws must be ones its people want to obey. Only one kind of such law exists – reasonable, just and moral law. The Ancients knew this too: Isocrates in his speech entitled Areopagiticus said, "Those who are rightly governed . . . do not fill their porticoes with written statutes but only cherish justice in their souls; for it is not by legislation, but by morals that states are well directed." No nation full of filled prisons can even pretend to be well directed. Yet many do.

Nations that use repression to exact conformity do so because they have no interest in perfecting society, and that is their greatest fault. Their leaders prefer societies as they are, full of violence, injustice, unfairness, poverty, helplessness, and hopelessness. The people in such societies are easily herded into disparate groups. The cohesion a society requires is shattered. The state becomes not merely ill-governed but ungovernable. Many now claim that America has reached that stage. Without an

interest in perfecting society, morality too is a meaningless concept.

The immorality of today's governments of laws world-wide makes it impossible for the world's peoples to live together peacefully, and consequently, generation after generation of human beings are regularly sacrificed to protect ruling classes and fulfill their wishes. Things won't change until governments function for the benefit of people everywhere, not organizations, institutions, or practices.

Throughout the world, governments are doing the opposite. People are being sacrificed for the benefit of a financial system that is bereft of even a tincture of morals. The peoples of entire nations are being asked by their elected "representatives" to sacrifice so that investors who elected no one and who wagered their money and lost can be repaid. The world is standing on its head, a world that cares not a wit for the welfare of people, a world that seeks to preserve a decadent, criminal financial system that benefits the establishment. Even some economists are beginning to see the light: Mark Thoma has recently written, "the point is that we need to focus policy on people, not banks." Ancient Greek and Roman philosophers said it millennia ago. What the world needs are fewer laws and more morals. People have to be taught the wisdom and advantages of doing good instead of exploiting others; yet the ruling classes have no incentive or inclination to do that.

Eighty-nine percent of Americans say they don't trust government to do the right thing. What percentage of Afghans do you believe trust their government to do the right thing? Or Brits or French or Russians or Chinese or Italians or Canadians or or or

or and or? Nations that don't do the right thing do what's wrong. That's what the world's nations are doing. The Arab Spring must become a world-wide freezing Winter. Although many sing paeans to it and others pray for it, only when hell freezes over will "peace on earth; goodwill to men" become a reality.

My thanks to Barry S M Condell for reminding me of Isocrates.

## INTELLECTUAL PROPERTY, SOFTWARE, AND PIRACY

Caveat emptor, a pig in a poke, and let the cat out of the bag! Most people are familiar with at least two of these. When dealing with the software industry, all three must be remembered.

Sellers have never had sterling reputations for honesty. If they had, the three expressions cited above would never have attained a place in common usage. Putting a cat in a bag and selling it as a pig gave rise to the latter two expressions. The smart buyer, the buyer who took the caveat to heart, opened the bag before putting down his money and let the cat out.

Software manufacturers have foisted the impression on the public that software is intellectual property, but there are so many differences between the paradigms of intellectual property and software that only the naive could ever take such claims seriously.

The paradigms for intellectual property are the non-fiction book, the novel, poetry, musical composition, dramatic scripts, sculpture, paintings, in short, fine art. And these range from the absolutely unique item, like a great painting, that only one person can own to multiple itemed works, like books, that many people can own copies of.

Software is certainly not at all like the former. Is it like the latter? First of all, a book has an author or authors, a musical composition a composer, a painting a painter. These are the people who collect the royalties. Who authors software? Do they get the royalties? Ah, don't they wish it were so.

Secondly, books, except textbooks, musical compositions, paintings, etc., don't come out in versions. Tolstoy didn't make a career out of writing War and Peace over and over again, improving a bit here and a bit there, even though I suspect he would have said that it could have been improved upon had he

been asked. Michelangelo didn't sculpt scores of versions of David and sell them as upgrades.

Thirdly, when I buy a copy of a book, etc., it is mine, not the author's or the publisher's. I can do what I want with it. I can sell it, rent it, lend it, rewrite it, even destroy it. The manufacturers of software want to prohibit all of this. They even claim to retain ownership and sell only the right to use. But even this claim is specious.

If I rent something to someone, I rent it for a specific period of time. When that time period is over, I want it back. When you go to Blockbuster and rent a CD, you don't get it indefinitely. Blockbuster wants it back. But Microsoft doesn't want old versions of Windows back, it doesn't even want new versions of Windows back, so one can ask what kind of ownership do software manufacturers claim to retain? If I sell something, I have no further claim on it. If I discard something, I have no further claim on it. To retain a claim, I have to want it back, otherwise, I have sold it, discarded it, or given it away. So although software manufacturers claim to retain ownership, it is ownership of nothing.

Finally, software is written with the help of software. An awful lot of it is canned. There are miles of similar code in programs that perform similar functions. Not so in novels, musical compositions, and other fine art. So if software is intellectual property, it is a strange kind of intellectual and a strange kind of property.

In reality, software is a product made by employees in a factory. The software engineer, programmer, coder is no different than the welder or the lathe operator. Each has learned a specific skill. None is involved in an intellectual enterprise, and that is the chief reason software is often so bad. There are no bugs in true intellectual property, it has no security gaps. Authors, painters,

composers, sculptors, poets do not include statements absolving themselves from damages as all software producers do.

Then there are the claims of all the money being lost. Perhaps! But not as obvious as many seem to think. There is an assumption behind this claim that is patently false. The assumption is that everyone who pirates software would have bought it if he couldn't have gotten it otherwise. But that's not even remotely true.

Distinctions need to be made between those who pirate software in order to sell it and those who pirate it for their own use. Few would disagree that the former are engaged in an improper activity. The same can't be said of the latter, however. People who pirate software for their own uses do it for many reasons. One prevalent reason is putting software you have legitimately purchased on more than one computer in your own home. If I have a desktop and a laptop, why should I have to buy two copies of a program? If I have two CD players, I don't have to buy two copies of a CD. I don't have to buy a separate copy of a book for each member of my family who wants to read it. Why should this be wrong for software but right for CDs and books? The immorality or criminality here eludes me. Are software manufacturers more entitled to protection than authors or artists? Why?

Others often pirate software just to look at it or try it out, something that often results in future sales. The manufacturers of software don't factor these future sales into their loss calculations though, do they? Why not? And what's wrong with trying something out before you buy it? Don't you test drive a car before putting down the cash? Except for those small developers who offer minor programs on the internet, do you know of any way to try out software without purchasing it?



People often pirate software which they really have no intention of using to any degree. Such pirating does not result in any loss of sales, so why should the manufacturers of software care about it? Such pirating is no different than borrowing a CD or a book, and it is perfectly acceptable and legal to do that. So why not software?

So how does software piracy affect the economy and the technology industry as a whole? Damned if I know. It is not obvious to me that the Chinese would be buying Windows from Microsoft if it weren't available from the sources they now get it from. I don't know how many Chinese could afford it at Microsoft's price. Would it mean more jobs for Americans? I have no reason to believe it. We have all heard about off-shored outsourcing and visas for foreign workers. And how does it affect the development of software? Would there be more of it if the rewards were greater? God knows, we're inundated with it now. No developer seems to be terribly discouraged by the piracy that's been going on, and the manufacturers themselves are constantly engaged in attempts to corner a market and drive competition out. Does that encourage developers?

Software is a pig in a poke. It never works as promised, often requires more resources than claimed, and is sold under garage sale conditions with a disclaimer absolving the manufacturer of responsibility for any and everything. And these are the people crying crocodile tears about piracy! One can even suspect that software companies deliberately market defective software so they can later market "upgrades." What do they say about thieves? It takes one to know one!

Didn't Microsoft literally steal DOS? Oh sure, the guys who developed it were dumb enough to sell it cheap and didn't deserve what they didn't get. But shouldn't anyone dumb enough to put his stake in an industry whose products are easily copied

and stolen be prepared to bear the consequences? Capitalism is an economic system that involves risk. A person investing in this system must evaluate the risks associated with the enterprise. And don't tell me Bill Gates and others didn't know the risks. So what's the upshot? The manufacturers claim that they're losing money. Maybe, maybe not. They knew what they were getting into. No one twisted their arms, and they're all using tools developed by someone else. They didn't invent the computer or devise the programming languages, and if they can use other people's ideas for their own profit, why shouldn't others use their ideas for profit? Remember, a penny saved is a penny earned. Ideas, after all, have no owners. Manufacturers lie about their software, why shouldn't they lie about the effects of piracy? Would you be so willing to sop up the tears of the seller whose customer let the cat out of the bag that was supposed to contain a pig? Or would you laugh at his embarrassment and say he got what he deserved?

## LAWMAKERS BILL TAXPAYERS FOR TVS, CAMERAS, LEXUS

*(On June 3, 2009, I sent the following reply to Louise Radnofsky's article, Lawmakers Bill Taxpayers For TVs, Cameras, Lexus).*

Dear Ms Radnofsky,

I began reading your piece, Lawmakers Bill Taxpayers For TVs, Cameras, Lexus , with heightened interest, but by the end, I was overwhelmed with a feeling of disappointment. You entered a forest and ended up describing a few shrubs. But what Americans need to know is the big picture.

I may not be correct in all of the following, but this is what I have come across:

Every Congressman is paid at least a \$174,000 salary which is automatically adjusted upward for inflation.

Every Congressman is entitled to a retirement plan in addition to a 401K plan and also Social Security. The retirement and 401K plans are taxpayer subsidized.

Every Congressman is entitled to participate in a healthcare plan which is also taxpayer subsidized.

And now you report that every Congressman also receives between \$1.3 and 4.5 million yearly for office expenses.

Wouldn't it be useful to the American people if they were told how much this actually costs taxpayers?

Wouldn't it be useful to the American people if they were told just what Congressmen had to spend their \$174,000 plus salaries on and how much of it is just money in the bank?

You write as though the Treasury, in pure generosity, provides the office expense funds. But doesn't the Congress, which receives the funds, legislate the fund's existence and its amount?

I find this very odd, and you should have found it so too.

The Congress, which Constitutionally, is the principle part of the government, enacts legislation for itself which provides itself with what are essentially employee benefits. So the Congress, the government, treats its members as employees of themselves. Wouldn't it be nice if the rest of us could do that? In doing so, the Congress provides taxpayer subsidized employee benefits to its members that it refuses to provide to the people Congressmen are supposed to represent. Isn't the notion that an elected official is merely a hired employee somewhat odd?

Had you revealed all of this, you would have revealed, I suspect, a major scandal that would make the current British one look trivial.

I would truly love to receive a reply and later a better article, but I doubt that I'll ever see either. Your employer would likely prohibit you from doing it. But I can hope.

Note: Ms Radnofsky never replied.

## **“LEGALIZED INJUSTICE”: THE US JUDICIAL SYSTEM “LEGALIZES” POLITICAL CORRUPTION AND FINANCIAL FRAUD**

The problems that afflict America, and perhaps all of Western civilization, are more profound than the very great and obvious evil in the hearts of people. Bankers revel in the dishonesty of greed, but do bankers make banking dishonest or does the dishonesty of banking defile bankers? Does the corruption of politicians sully the political system or does a befouled political system force politicians to be corrupt? More importantly, do iniquitous judges make the law unjust or does an insidious legal system deprave judges?

The American colonists were principally Northern Europeans, and in the Northern European nations, those that became Protestant during the Reformation, sin is always individual. So in those nations, if the legal system is unjust, it is thought that the judges are bad; reforming the system requires that they be replaced. But if the system forces the judges to be bad, replacing them won't be an effective reform. The replacing judges will become just as base as those replaced.

Justice is a word often heard but rarely defined precisely. The families of victims often want “justice” but mean, I suspect, revenge. A trial is just if it conforms to the rules laid down to insure fairness, but everyone knows that justice is a rare result of actions taken in American courts. The innocent are routinely found guilty and the injured are rarely adequately compensated. The wealthy are treated differently than the poor, whites are treated differently than blacks and people of other races, businesses are treated differently than consumers or injured

people. In America, this most fundamental civilizing institution fails over and over again to produce civilized results. How can that be? When did it begin? How extensive is the failure?

Philosophical and even common sense definitions of justice are rather simple: "the set and constant purpose which gives to every man his due" (Justinian I). The definition is simple; determining one's due is not. It can be anything from an eye for an eye to forgiveness. But when what one is due has been decided, not giving it is clearly unjust. Justice cannot be dispensed if a person's due is denied. By this standard alone, American jurisprudence and its legal system are not only unjust, they promote and institutionalize injustice.

Lets look at the Supreme Court in 1803 when the USA was an adolescent nation, merely 15 years old.

As I wrote in a previous piece, The Court's willingness to deny plaintiffs justice was demonstrated in *Marbury vs Madison* in which the Court held that Marbury was entitled to his commission as a Justice of the Peace in the District of Columbia but was refused it on the basis of a legalistic claim that the Court lacked jurisdiction even though the Court had issued such writs of mandamus previously. No doubt, Justice Marshall wrote this opinion to keep the Court out of a rancorous political dispute between Republicans and Federalists going on at the time, but not only does the Constitution nowhere instruct the Court to act in that way, it clearly states that "We the People of the United States, in Order to . . . establish Justice . . . do ordain and establish this Constitution for the United States of America." The date of the Court's opinion is February 24, 1803.

Marbury vs Madison is a seminal opinion; it established precedents that have continued to be exercised to this day, and the Court's refusal to mete out justice is one of them. For two hundred years, the Supreme Court has been an unconstitutional institution if judged by what the Constitution says.

So now, on March 27, 2013, the Supreme Court rejected a proposed class-action antitrust lawsuit against Comcast Corporation in which more than two million current and former subscribers sought to prove that the company had overcharged them after unfairly eliminating competition. The rejection was not based on the merits of the case but on a "technicality," which held that the proposed class of Comcast subscribers failed to meet formal legal guidelines for how to certify that evidence of wrongdoing was common to the group. Did it matter to the Court that more than two million people were dealt with unfairly by Comcast? Not in the least! Justice for more than two million people is not the Court's concern. Marbury in 1803 and more than two million Comcast subscribers in 2013. Always the same! The Justices of the Court are not concerned with justice. The Court has its procedures that trump giving every man his due.

Not giving everyman his due is a common occurrence in America. Some federal programs labeled "entitlements" are under attack. Republicans want them eliminated or at least reduced. But 'entitlement' means having a right to something; something to which a person has a right is an entitlement. No entitlement can be justly denied. But that simple linguistic fact seems to be lost on the people who comprise the American legal system.

The courts have also allowed a plethora of unjust business practices to flourish by merely doing nothing to stop them. Although they are manifestly unjust, they are so common that hardly anyone considers them objectionable. Take, for instance, the common claim of businesses that honest customers pay more than they would if shoplifting didn't occur. The implication is that prices are higher than required in order to compensate vendors for losses incurred by theft. But if that's what's going on, it's entirely unjust; it makes the innocent, honest customers, pay for the actions of criminals. Penalizing the innocent for the actions of the guilty is never just, never has been, never will be. Yet it is condoned in American jurisprudence.

Another similar but not identical legalized injustice displays how legalized injustice affects government as a whole.

Firms can legally avoid paying taxes on money made in America by shifting profits offshore to countries with minimal or no taxes. This "Tax dodging is not a victimless offense," says U.S. Public Interest Research Group analyst Dan Smith. "When companies use accounting gimmicks to move their profits to tax haven shell companies, the rest of us have to pick up the tab." Again the wrong group is legally required to pay the bill for the loss the government incurs from the legalization of this unjust practice.

To understand how all this came about requires a little history. American jurisprudence did not come into being with the ratification of the Constitution on June 21, 1788. American jurisprudence landed on the shores of North America with the Pilgrims on November 21, 1620. They brought the law with them; it was English Common Law.



In the twelfth century, judges bought their jobs from the king and in turn extorted bribes from litigants. Common law judges never sought to mete out justice, but their decisions did constitute a body of law that became “common,” that is, that became commonly and uniformly practiced. William Blackstone, an English legal scholar known for his legal commentaries, described the Common Law as “the general customary law of the realm as interpreted by the royal judges.”

This common law was adopted as the basis of the legal systems in the colonial constitutions and was the only law in America between the founding of the colonies and the revolution, so it naturally became part of American law when the nation was founded. But that turned the Constitution into a contradictory document.

The Constitution makes the Congress the legislating institution of the nation. But common law judges legislate from the bench. So when Marshall in *Marbury* assumed that it was the function of judges to say what the law (including the Constitution) is, America’s purity as a representative democracy was sullied. Conflicts could now arise between what the people want as understood by their representatives and what the judiciary wants. These conflicts have created and exacerbated social conflicts in America ever since. The courts became representatives of America’s merchant class and pitted that class against the common people. As the representatives of merchants, the courts have rigged the system so that the protection of property became more important than the welfare of people. No common man can ever receive his due in such a system. The merchant is always protected at the expense of the consumer. If the merchant experiences losses, those losses will always be transferred to the

merchant's clients. The system reeks from the basic injustice that came about when English Common Law was absorbed without mention into American law. The Constitution never mentions it, and Article III does not grant the judiciary any legislating authority whatsoever. Yet the courts do legislate.

Judge Richard Posner has said that judges and lawyers have always been a cartel. Academics joined the cartel when law schools were created late in the 18th century. Yale law professor Fred Rodell said the legal trade is "a high class racket." American jurisprudence exists to benefit the purveyors of an economy that too is never mentioned in the Constitution. (Any reader who believes that my description of the judiciary in America is exaggerated needs only to read Justice Lewis Powell's Manifesto.)

In addition, common law actions are always adversarial. Actions consist of two lawyers who represent their clients before a supposedly impartial person or group that attempts to determine the truth by evaluating the evidence presented. A verdict is reached when the most effective adversary is able to convince the judge or jury that his or her perspective on the case is the correct one. For justice to ensue, the skills of counsels on both sides must be fairly equivalent. Of course, in practice, the skills are often vastly different, and cleverness often rules. Neither truth nor justice have an essential place in the action. A trial at law becomes a contest between opposing lawyers whose prize is the body of the accused or plaintiff. Justice in America is nothing but a lawyer's game, and when lawyers predominate in legislatures, the game is extended to legislating. Legislatures become two party contests. In America, it is a contest between Democrats and Republicans, but those names are meaningless place holders. Better names would be For and Against. One party offers and the

other rejects, which means, of course, that little if anything ever gets done. In America, legislatures, especially the Congress, govern by paralysis.

America is a failed state. Americans have not formed a more perfect union, established justice, insured domestic tranquility, provided for the common defense, promoted the general welfare, or secured the blessings of liberty to ourselves and our posterity. Domestically, by every measure, American institutions are effete. Social problems fester for decades without resolution. Social discord abounds. Violence is endemic. Food supplies are often contaminated. Healthcare is inadequate. Public education is in disarray. The physical infrastructure is in tatters. Internationally, American policy consists of merely bribery and threats of violence, and neither has worked effectively for more than half a century. What has brought America to its knees? The answer is English Common Law. It has eliminated justice from society, the kind of justice that people, even children, all understand. A just society requires fairness not favoritism.

As it now stands, America is incorrigible. It cannot be fixed. Nothing but a complete repudiation of all law that favors one group or person over others will suffice. But such a repudiation will leave little that Americans would recognize. If justice is a light to nations, injustice is their darkness.

## **NATION OF LAWS AND LAWLESSNESS: AMERICA IS POLICING ITSELF AND THE WORLD**

The peoples of the world are angry and are getting angrier. Samuel Bowles and Arjun Jayadev, in a piece published in 2004, claim that about one in four Americans, termed “guard workers,” is employed to keep other people in line. I suspect the number is higher. The war on terror is fought by guard workers, the entire legal system and the entire homeland security apparatus consist of guard workers. Shouldn't someone be asking why Americans need so much protection?

Some years ago, the Mura Federal Building in Oklahoma City was blown to bits by an irate citizen. Recently, another irate citizen flew his airplane into a building in Austin, TX in which the offices of the IRS were located. The Washington Post reports that “Attacks on the Internal Revenue Service and its employees ... are common,” and that armed escorts are being provided to IRS employees “at least once a week.” In Las Vegas, a citizen who lost a lawsuit challenging a cut in his Social Security benefits used a shotgun to kill a security guard inside a federal courthouse. A gunman charged into one of the Pentagon's main entrances and opened fire and authorities are looking into his recent rants against the government as a potential motive. He is reported as having written, “The moral values of individuals and communities are increasingly attacked by a political system where deceit is routine and accepted and the only standard is power.” A suburban Philadelphia woman has been indicted and accused of recruiting jihadist fighters and moving to Europe to try to kill a Swedish cartoonist. Authorities say it shows how the threat of terrorism is evolving. Threats to judges have become so widespread, that according to the AP, “Three quarters of the

nation's 2,200 federal judges have asked for government-paid home security systems." Federal law enforcement officials are looking into at least two possible threats directed at members of Congress and their families. In Michigan, nine suspects tied to a Christian militia in the Midwest are charged with conspiring to kill police officers, then attack a funeral in the hopes of killing more. The people are so angry at Wall Street that Bloomberg reports that "Goldman [Sachs] people have loaded up on firearms and are now equipped to defend themselves."

Once beloved worldwide, the U.S. government finds itself reviled in most countries. According to the Sunday Herald, the Pentagon has admitted that Muslims do not hate our freedoms, but rather, they hate our policies and that it is "equally important to renew European attitudes towards America which have also been severely damaged."

Americans, unfortunately, believe that they can hire enough guard workers to protect them from all of this anger. Dave Lindorff writes, "The deliberate suicide crash bombing by a domestic terrorist pilot of a small plane into an IRS building in Austin [requires] Congress to move quickly to tighten up security and control over small planes." But guarding everything is impossible and how can the guard workers themselves be prevented from eventually getting angry? They are, after all, not the owners of the what's being guarded.

Why are people so angry? Bowles and Jayadev cite "conflicts between classes, ethnic or racial groups, and political factions," along with "economic polarization." Dennis Mangan writes, "Guards are everywhere in a capitalist economy. . . . [They] are a central feature of capitalism. Capitalists depend upon guard labor

to protect their commodities, including the goods and premises they own, but especially the labor-power in their employ. Capitalism's reliance on guard labor deforms the entire productive process, not only wasting labor, but also snuffing out badly needed creativity." Bowles and Jayadev claim that the "US has over the past several decades developed inequalities usually found only in poor countries with autocratic governments." And, of course, guards are what keep autocratic governments in power. Yet as Noah Webster said, "power is always indolent and despotic." It is not relinquished easily.

In Exodus, Chapter 20, God spoke to the Israelites: "I am the LORD thy God, which have brought thee out of the land of Egypt, out of the house of bondage. Thou shalt have no other gods before me. Thou shalt not make unto thee any graven image, or any likeness of any thing that is in heaven above, or that is in the earth beneath, or that is in the water under the earth: Thou shalt not bow down thyself to them, nor serve them: for I the LORD thy God am a jealous God, visiting the iniquity of the fathers upon the children unto the third and fourth generation of them that hate me; And shewing mercy unto thousands of them that love me, and keep my commandments." But Chapter 32 reveals that within days, "when the people saw that Moses delayed to come down out of the mount, the people gathered themselves together unto Aaron, and said unto him, Up, make us gods, which shall go before us; for as for this Moses, the man that brought us up out of the land of Egypt, we wot not what is become of him. And Aaron said unto them, Break off the golden earrings, which are in the ears of your wives, of your sons, and of your daughters, and bring them unto me. And all the people brake off the golden earrings which were in their ears, and brought them unto Aaron. And he received them at their hand,

and fashioned it with a graving tool, after he had made it a molten calf: and they said, These be thy gods, O Israel, which brought thee up out of the land of Egypt.” So much for the authority of law givers!

Authoritarians have the misguided notion that they can lay down the law and people will obey. Experience teaches otherwise. Why rulers or legislators would believe that their laws would be any more effective than God’s laws were on the Israelites is a mystery. People obey laws found to be useful and sensible; they need no enforcement. Other laws are routinely broken whenever an opportunity to break them arises. Some laws are so routinely broken that society attaches few consequences to breaking them. Break a traffic law, pay a fine, and nobody cares. No one considers it wrongdoing.

The United States, it is claimed, is a nation of laws, but lawlessness is rampant. According to the U.S. Bureau of Justice Statistics, the USA also has the highest total documented prison and jail population in the world. In 2008, over 7.3 million people were on probation, in prison, or on parole—one in every 31 adults. Add to this the number of people who have served their sentences and are now free, and the number is huge.

Have you ever thought about the meaning of the phrase, “law enforcement agency,” the phrase used to identify police of various kinds? If you have, you surely realize that it makes no sense. Police do not enforce, that is, make people obey, the law. In fact, police have nothing to do until the law has been broken. A society of lawful people needs no police, and the more police a society needs, the more lawless it is. Police are not agents of order; they are agents of retribution. And lawlessness in a society

is not an indictment of people, it is an indictment of government. A well governed, well ordered society needs no police or guard workers. Given these statistics, the United States must be the most lawless and consequently the most poorly governed nation in the world.

The Western nations that have held power since the seventeenth century are confronted by growing domestic and foreign anger and are attempting to stem its tide by converting more and more resources into guarding the status quo. A host of little Dutch boys has been recruited to put their fingers in the ever growing number of holes in the dyke to keep their nations from being inundated. Yet anger cannot be pacified and affection cannot be aroused by force but only by governing for the sake of people, their own and those in foreign lands. The more a nation needs guards, the more it has failed its people. Wouldn't it be far simpler to merely stop doing the things that generate such levels of anger? Is a status quo that needs so many guards worth guarding?



## PITH OR MYTH? WHO ARE WE ANYWAY?

Do you really believe that people are endowed by their creator with certain *unalienable* rights among which are life, liberty and the pursuit of happiness? If so, you are totally irrational. No! You are deranged. Since human beings evolved, they have been taking each other's lives and enslaving others. And as for pursuing happiness? Whether you chase it until the end of your life, no one will ever care. Having a right to pursue it is irrelevant. Attaining it is what matters, and no one has even ever suggested that people have that right. When Jefferson put those sentiments into the Declaration of Independence, he knew they were pure propaganda. Today it is myth. I'm sure there were some at the Court of George III who howled with laughter when the Declaration was first read there. The idea that people had unalienable rights was ludicrous. Is that idea ludicrous today? Some believe not, but believing something does not make it true. Even today, people, even Americans, are still taking the lives of others and enslaving them. If life, liberty, and the pursuit of happiness were ever rights, someone somewhere abolished them.

Then there's the Gettysburg Address. Does anybody really believe that Lincoln believed that his description of America as "of the people, by the people, for the people" was accurate?

He knew that the nation had been founded by people who owned slaves that had no role in its creation, who could not vote or hold elective office, and for whom no benefits were pursued. He surely knew his pithy oration was pure propaganda. He might have hoped, but he didn't know, it would become pure myth. But it has, because this nation never has had the "new birth of freedom" he envisioned. Just as Christians are still waiting for the Second

Coming, Americans are still waiting for the "new birth of freedom" of the people, by the people, and for the people.

In reality, nations have never existed "for the people." The people have always existed for the nation. J. F. Kennedy made this clear when he said, "ask not what your country can do for you, ask what you can do for your country." People have always been expected to do what was necessary to preserve the state. That's what those who make the ultimate sacrifice consider their duty. One does not live for oneself or others, one lives and dies for God and country.

And then there's the belief that this nation is uniquely a nation of immigrants as though Brazil or Canada or Australia or others aren't. Mankind evolved as migratory. Human beings have always moved to what they thought were greener pastures. They still do, and they don't all want to come to America. Furthermore Americans have not always wanted them to in spite of the inscription on the Statue of Liberty.

*"Give me your tired, your poor,  
Your huddled masses yearning to breathe free,  
The wretched refuse of your teeming shore.  
Send these, the homeless, tempest-tost to me,  
I lift my lamp beside the golden door!"*

In fact, Americans have never really wanted these poor, huddled masses. The dispute between Clinton and Trump supporters is based on ignorance. The Congress has always favored some peoples and rejected others. In fact. Americans did not consider

America to be "a nation of immigrants" until the latter part of the 19th century.

Massive migrations of people to the United States did not even begin until after 1880. The nation was then a century old. The few who came to America before then came from Northern European countries, especially Ireland, Germany, and the United Kingdom. But between 1880 and 1924, more than a million Eastern Europeans came to this country. Most of these were Jews and Roman Catholics. They were followed by Italians. The numbers peaked by 1910 at over two million. By 1924, the conservative Congress had had enough. In 1924, the National Origins Act (Johnson-Reed Act) was enacted, and it did not welcomed foreigners with open arms.

The National Origins Act was an exercise in discrimination on a world-wide scale. It attempted to control the number of "unfit" individuals allowed to enter the United States by imposing quotas on applicants from various parts of the world. But the quotas were fudged. The mass migrations to the United States began in the 1880s. By 1924, more than 30 years of migration had taken place. Since the quotas were to be based on the number of people from various places already in America, getting those base numbers was essential. But instead of basing those numbers on the latest census, that of 1920, Congress decided instead to base them on the census of 1890. But that census contained higher numbers of Northern than Eastern and Southern Europeans. Since each quota was to be a percentage of the people from each nation already in America, the quotas for Northern Europeans were proportionally greater than those for people from Eastern and Southern Europe. The act's purpose was to maintain the ethnic distribution of America at the time. It also limited immigration from East and South Asian and Africa. Even if Ellis

Island was a doorway to liberty for some, it was never a doorway for all. The arguments proffered for the act held that the earlier admitted immigrants were skilled, thrifty, and hardworking while those from Southern and Eastern Europe were unskilled, ignorant, not Protestant, and not easily assimilated. Also the Naturalization Act of 1906 provided that only white persons and persons of African descent or African nativity could become naturalized citizens, and Associate Justice of the Supreme Court George Sutherland ruled that only Caucasians were white, In fact, it was not until 1965 that national origin considerations were abolished. America's open door has not always been open. America became a nation of immigrants by necessity, not by choice. The New Colossus envisioned by Emma Lazarus in 1883 is also merely a myth. Would she have written, "Send the homeless, tempest-tost to me, I lift my lamp beside the golden door" if she had known what America really thought of immigrants? We shall never know.

The salient thing about the Declaration of Independence, the Gettysburg Address, and the poem inscribed on the Statue of Liberty is that none of these documents has any legal status. The sentiments they contain have never been enacted into any law. Consequently no one, not an official, person, agency or institution has any responsibility to instantiate these lofty ideals. Everyone can say that they believe them without having to do anything to bring them to realization. It is no one's fault that these lofty sentiments have never been realized. Simply stated, myths are unreal. Perhaps they aren't meant to be real. They might merely express ideals that are idols of the mind. Objects to be worshiped but not to be acted upon. The realization is that people are not defined by what they claim to believe; they are defined by what they do.

"From 1964 to 1973, the U.S. dropped more than two million tons of bombs on the country of Laos to interdict traffic along the Ho Chi Minh Trail. The bombings destroyed many villages and displaced hundreds of thousands of Lao civilians. Up to a third of the bombs dropped did not explode, leaving Laos contaminated with vast quantities of unexploded ordnance. Over 20,000 people have been killed or injured since the bombing ceased.

Nearly 40 years on, less than 1% of these munitions have been destroyed.

In just ten days of bombing Laos, the U.S. spent \$130M (in 2013 dollars), or more than it has spent in clean up over the past 24 years."

When the United States withdrew its army from Vietnam, it said almost nothing about what it had done in Laos. It didn't even provide the Laotians with paper signs warning of the danger. Laotians are still being killed and maimed by those bombs and no American political or religious leader, to my knowledge, has ever uttered a single word of regret or sorrow.

The Laotians were not an enemy. The United States was not at war with Laos. It was no danger to the United States. It was not even an economic competitor. Why would the Americans do such a thing to innocent people? What kind of people would do such a thing to anyone?

Well, a kind, considerate, compassionate, and benevolent one, of course. Isn't that what kind, considerate, compassionate, and benevolent people do? No? Isn't that what Americans are? Kind, considerate, compassionate, and benevolent? No? What are they then? What kind of people are Americans? Isn't it time that Americans and the rest of the world found out?

That any nation can kill so cavalierly without expressing regret or sorrow is shameful. That it evokes no howls of horror from the international community is astounding. Thousands and thousands of absolutely innocent Laotians have been maimed and killed and nobody cares – not the President nor the Pope, not the Secretary General of the United Nations nor the justices of the World Court, not any representative of a permanent member of the Security Council nor any country's representative to the General Assembly, not the Archbishop of Canterbury nor the Dalai Lama. NOBODY!

What kind of people are we? Have human beings lost all vestiges of human decency? Have centuries of war, genocide, even the holocaust taught us nothing? Are we no better than the citizens of Ur were?

Apparently not!

Just as they did in the city of Ur, people today cherish their myths. But unless people can distinguish the mythical from the real, myths are monstrous.

## POISONOUS VERACITY (SWAT THAT LIE!)

Was any Roman ever gullible enough to believe that Romulus and Remus founded Rome after being suckled by wolves? Given the gullibility of humankind, perhaps, but if so, a revelation about human nature emerges that the policy elite would prefer to keep secret – for the most part, human beings are dumbos; they can be led by their noses to believe anything. And so they have.

That Romulus and Remus were ever suckled by wolves is absurd. But is it more absurd than that people should defend a country which they own not a single square inch of? Isn't that like defending some far off country, like Luxemburg, to which you have no relationship? Would you volunteer to defend Uganda? Why do people volunteer to defend the U.S.A.? Why defend what's not yours? Let those who own it defend it. But they won't; they never have. Jefferson knew that merchants have no national loyalties.

We pretend we're not defending land we don't own. We claim we're defending our beliefs, but beliefs don't need defending. Just try to kill one, even an absurd one.

Perhaps institutions founded upon those beliefs are being defended? But why defend institutions that don't work for you? What are we defending when we defend "our country" anyway? You likely have no idea; yet many believe they should, that it's the right thing to do. Ever ask yourself why? No? Why not?

Somehow or other there have come to be "truths" that are never examined but which are thought to be "unquestionably" true. Almost no one questions these beliefs that are too strong to be

altered by evidence even though believing them leads to horrid consequences.

There are a lot more of these than you suspect. Whole civilizations are built on them. Romulus, who never existed, still influences human actions. How in the world did human beings get into this condition?

In 1789, the French revolted, and the monarchy was overthrown. The royal nations across Europe were threatened and led a counter revolution that by 1814 had restored the old order. The restoration also destroyed the basis of everything a civilized culture could be founded on. Along with the monarchy, reason, the basis for civilization, was also discredited, The baby went with the bath. Human beings cannot be treated irrationally by rational people.

So it had to be. Civilization depends upon standards. Differences exist between right and wrong, truth and error, kindness and cruelty, honesty and fraud. Everything is not the same. But these have all come to be the same in the world we now live in. By putting down the French revolution, which was a result of the Age of Reason, reason itself had to be discredited, so a plethora of standards emerged. We now have mythical standards, scriptural standards, institutional standards, personal standards, but no rational standards. Rational man no longer exists; mankind is now almost entirely creedal. Everyone's varied opinion is as good as truth and we've become willing to kill each other over those creeds. Political action, in fact action of any kind, pits opinion against opinion. Americans do it, Muslims do it, Hindus do it, Sikhs do it and no search for truth ever takes place because there is no standard that can separate the true claims from the others.



When this occurred, honesty disappeared too. Everything became a lie. Politicians and the government lies. Vendors lie to consumers. Brokers lie to investors. The culture is a total fraud.

Sectarian standards are not the only standards being adopted. If the Bible can become the source of a standard, so can Mein Kampf or Qutb's Milestones. When the values in Milestones go head to head with the values in the Old Testament all that can ensue is violence. The Israelis, when they adopt the diasporic myth and reject the findings of Shlomo Sand, are being primitive Romans who believe in Romulus. Ignorance has become today's standard of veracity. Is Israel really the only nation with a right to exist? Just exactly does that mean? Who conferred this right?

But scripture is not the only source of these "standards" although religion is a major source. In fact, religion has such a strong hold on humanity that one cleric has founded a church that embraces all religions. Some people just can't give it up even stripped of all its content. But religion isn't the only source of standards, Consider for a moment the view recently expressed by a prominent television commentator that only constitutional governments are legitimate. Really? What if the constitution allows the government to do horrid things to its people? Is it still legitimate? Consider the view that democracy regardless of its form is the best type of government. Really? The U.S.A. was a "democracy" when slavery was legal. Consider the widely held view that science and technology will save mankind from its depredations? Really? Science and technology have mainly provided the means to kill vastly more people that it has enabled anyone to save. Not much hope in salvation there! Can anyone claim that providing government with a means to track and

eavesdrop on the conversations of every human being is a good thing? Rely on science to your own detriment!

This lack of a standard has consequences that few recognize even though they surround us. Ignorance (crime, violence, hatred, dishonesty, just plain evil, the uncouth) can easily overwhelm society, Instead of teaching people to live together, western practice has been to force compliance by the use of law and punishment instead of conviction. But it usually takes more than one official to capture one criminal. Sooner or later the number of guards will be insufficient for the task, the number of prisons too few. At that point evil will predominate. Human beings are rapidly approaching that state. The Earth is being overcome by evil.

In the U.S.A., for instance, thanks to the wonders of technology, a young person makes a mistake and commits a crime. If convicted, s/he serves a sentence and his/her name is placed in a permanent database of offenders which employers and others are encouraged to check for background information. The class of "criminals" thus increases continually. One day it will outnumber the "law abiding." This policy, along with many others, can only have been instituted by people dumb enough to believe that Romulus and Remus founded Rome after being suckled by wolves. Such policies are countless.

Violence can not be controlled by punishing the violent; punishment requires that the violence has already occurred. The elimination of violence requires that people be convinced that force and violence are wrong . Jim Crow cannot be eliminated by outlawing expressions; it requires the elimination of the desire to

use them. But conviction requires a rational basis, not just heads full of opinions.

In rejecting the enlightened values of the age of reason, European conservatives were forced to reject reason itself, In rejecting reason itself, they enshrined a Babel of Opinions without providing any way of evaluating them. The result is that everyone's opinion is equally true (false). (Examples can be heard on any 24 hour news channel at any time of day.) These opinions are now the basis of human action, and they are leading us to perdition. Instead of punishing people, we need to perfect them.

The problem here is that bad ideas based on big errors do not get filtered out of the public debate. In fact, the opposite happens. Politics is a marketing exercise in which the media and politicians pander to public prejudice with the result that bad ideas are actually adopted. What no one seems to realize is that we cannot kill our way to goodness or even salvation or security. One and a half billion Muslims cannot be killed without killing ourselves.

## SENATORIAL THEATER OF THE ABSURD

The recurrent Senatorial minstrel show known as Senate confirmation hearings for Supreme Court nominees has opened again on Capitol Hill. The script for this show never varies. Senators from the nominee's party don white faces, dutifully attesting to the nominee's ideological neutrality and integrity while those from the other party don black faces, dutifully questioning them. Every Senator claims the goal of the hearing is the confirmation of justices who are ideologically neutral, while the court itself regularly issues decisions split on ideological grounds.

The nominees also cling closely to the script. Feigning apologies for misstatements which may or may not have been made, they attempt to explain away the "misunderstandings" alluded to. And when the hearings are over, the Senators vote to send the nomination to the floor of the Senate, the white faces voting in favor and the black faces voting against, all strictly on ideological grounds, where the same process is repeated.

In the current hearings, black faced Senator Jeff Sessions questioned Ms Sotomayor's neutrality because of statements she made in the past that appeared to claim that because of her racial background she would favor members of her own race in adjudicating cases. She reportedly said that "a wise Latina might arrive at a better conclusion than a white man." Ms. Sotomayor replied that she regretted that the statement "created a misunderstanding" and that she wanted to "state up front, unequivocally and without doubt, I do not believe that any ethnic, racial or gender group has an advantage in sound judging," thereby uttering the required apology, which, of course, did not mollify Senator Sessions. But Ms Sotomayor missed a chance to deviate from the script and turn the tables.

A better retort would have been to question Mr. Session's ignorance of how the English language works. Her statement in question is couched in the subjunctive mood which is used to express doubt and describe unreality. 'A wise Latina might arrive' does not imply that 'A wise Latina will arrive.' I might go to the movies tomorrow does not imply that I will. In fact, it implies that I might not.

But this minstrel show's script deliberately elides a much more profound issue. Cases come before the court because the law in question is ambiguous and often contradictory. Clearly written legislation never needs to be interpreted. So if the Senators truly want justices who will not legislate from the bench, all that's needed is legislation whose meanings and intentions are clear. Instead, the Congressional practice is to enact legislation that is so murky that no one can say with certainty what was meant. Faced with such murkiness, the justices have no alternative but to allow each to interpret the law to the best of his/her ability, and such interpretations will always be skewed by personal beliefs and backgrounds as is amply demonstrated by the courts many ideologically split decisions. When nine highly intelligent and educated men and women can each read the same law and are yet unable to agree on what it says, it is the law that is at fault, not the justices.

Play-acting is a profession of pretense. Actors pretend to be people they are not; they do not do anything but pretend. John Wayne, who avoided service in the military, made a career out of pretending to be a fighting man. Today we have play-actors pretending to be legislators. The Congress is infamous for not being able to get anything done. Sometimes it even puts on a good show. Sometimes the show is comedic; more often it is tragic. Yet the show goes on and on and on. The capitol of show business in the United States is not Hollywood, it is Capitol Hill.

## SOLVING THE PROBLEM OF IDENTITY THEFT

I recently heard, on the CBS Evening News, I believe, that the Congress is finally becoming concerned about identity theft. The best description of this new-found concern is, a day late and a dollar short. Can we expect the Congress to find a solution to the problem? Don't hold your breath, even though an easy solution exists.

Would you, for instance, lend your car to a perfect stranger even though s/he could show numerous identifying documents? I doubt it, because documents don't prove anything. They are easily forged, misplaced and found by the unscrupulous, and often stolen. Yet it seems, lenders often do what no sane person would they lend hundreds of thousands of dollars on the basis of such documentation without ever attempting to verify the identity of the borrower.

A plethora of broadcasts and articles have appeared which tell people how to protect their identities; yet people cannot provide such protection. Social security numbers have been used too long by too many people for too many reasons to make this protection possible.

Anyway the problem is not a people problem, and trying to make it into one is merely another instance of the American predilection to place the onus in the wrong place. Identity theft is a lender problem, and it has a simple solution. All that is required is a law that specifies that lenders who do not verify the true identities of their borrowers have no recourse to the law when such borrowers default. Lenders would have a choice: verify the true identities of their borrowers or lose their money if their borrowers default. Nothing more would be needed.

Such verification would not be difficult either. Lenders could require that loan applications be submitted in person along with a

mug shot of the borrower and his/her fingerprints. They could also physically check to see if the person submitting the application actually lived at the address provided. Would this be expensive? Hardly!

Would this make borrowing on-line or by mail impossible. Not necessarily. All that would be required is that the transaction be handled through a notary who would accept the documents along with the required proofs, attach a notarized document attesting that the verification process had been carried out, and submit the documents to the lender.

Identity theft is possible only because lenders utilize lax lending policies and procedures. It's as simple as that.

Americans are fond of claiming that people ought to be responsible for their actions. This is sound policy only if it is applied universally. Not only people but companies, as well, ought to be made to conform to it.

## THE AMERICAN LEGAL SYSTEM

Your remarks, printed in the Dallas Business Journals The Defenders supplement prompts me to send these comments.

I suppose it is unreasonable to expect a practicing attorney to have an unbiased, objective view of the American legal system, but any objective observer cannot come to any conclusion other than it is an unworkable mess. A trial in this system can be likened to a game played by attorneys, refereed by a judge, the defendant being the prize. Just as in any game, the result more often than not depends on the skill of the players. Defendants with deep pockets hire the most skillful players they can find, while plaintiffs with shallow pockets hire whom they can afford. Often the result is similar to pitting the Dallas Mavericks against Mesquite's Horn High.

This legal system, in both its criminal and civil sections, has no concern with justice. And in civil suits, both attorneys are private businessmen, in reality, mercenaries, hired guns for their clients. In criminal trials, the situation is even worse, the defendant's lawyer is often a court appointed novice. No such system can ever lay a claim to justice.

Whether you agree with this assessment is beside the point, for the above is just prologue to what in your remarks really caught my eye: ". . . nullification, i.e., the process in which the jury decides to do its own thing and thereby nullifies the counts sic (dont you mean judges?) instructions, both as to expected juror behavior and as to the law."

This remark implies a view of the juridical system that holds that the jury's sole duty is to determine whether a law has been broken and to make that determination only in the way the judge has prescribed. But a jury is a poor mechanism for this task. If the judge knows exactly how the matter should be adjudicated, he



can perform the task much better than any jury can. And juries are made up of people, some of whom, at least, have minds of their own, which this view implies they should not exercise.

You, along with all other attorneys, know this to be the reality. Otherwise jury selection would not be such an important part of any trial. No attorney in a trial wants a truly impartial jury. Each wants a jury he/she thinks he/she can influence.

So that a jury's role should be restricted to a question of law to be decided only in accordance with the judge's directions cannot be correct, for no jury is needed for that task. Furthermore, the notion ignores two relevant facts: Laws can be unjust, and judges can be wrong and even stupid. And to say that those faults can be taken up on appeal doesn't change anything, for appeals court judges can be and often are wrongheaded and just as stupid, especially if they are elected and are members of ideological political parties.

Then again, there is history. When the English peerage, at the end of the Glorious Revolution, imposed the English bill of rights on the monarchy, they included a clause whose import is equivalent to the phrase jury of ones peers.

In Great Britain, the word peer has a precise meaning; in America it has no meaning at all. The reason the English peerage sought this protection was to overcome monarchical abuse of power precisely by the act of nullification. They knew that they could rely on people of like social standing to defend their prerogatives. So if there is any justice at all in the American judicial system, it is, in fact, only provided by juries. And that is seldom, since most jurors are too poorly educated and too easily constrained by notions of judicial authority to do their own thing, as you put it. If anything, we need more of such juries, not fewer, which, I am certain, you disagree with, since that would have a direct impact on your reputation and income.

On another matter, you might look at my own Dallas Business Journal piece titled Malpractice and logic which you can find on the www. It contains some comments of the illogic of tort reform. In short, I have concluded that the legal system and all the current attempts to reform it are nothing more than a prison of propaganda that ordinary citizens have been sentenced to. For justice to prevail in this country, an enormous prison break is required. The only question is, Are Americans too sheepish to try it? And you, of course, want to be the prison guard.

## THE AMERICAN LEGAL SYSTEM: A BALL GAME PLAYED BY LAWYERS AND JURISTS

### *The Why of Not Doing the Right Thing*

The unfairness of American society is being recognized by many. Eighty-nine percent of Americans say they don't trust their government; Congress has a mere 9% approval rating; America's financial institutions are widely considered to be corrupt; the Occupy movement has emerged, some are seeking to enact an amendment to the Constitution to undo the Court's decision in Citizen's United. But not doing the right thing, unfairness, injustice has deep roots in America. Oliver Wendell Holmes once confirmed that fairness or justice is not the concern of the Supreme Court. Only playing the game according to the rules is. Since the Court cannot be relied upon to "do the right thing," why should anyone believe that any American institution can be counted on to do it? What is required is a complete overhaul of the legal system.

Half a century ago, I served on a commission in the state of North Carolina which was tasked with revising the state's criminal code. The commission was comprised of law school professors, prominent judges, and practicing attorneys. We were appointed by the state's newly elected attorney general who had hoped that the commission would improve the law in substantive ways that would reduce the injustice that had been written into statutes and case law. He and I both quickly learned, however, that the members of the legal community on the commission were not about to do that; they insisted that no changes be made that would burden the legal community by requiring it to relearn even parts of the code and adjust practices and procedures

accordingly. As a result, all that was done was that some ambiguous sentences were rewritten to be less ambiguous and some outdated diction was changed to more modern locutions. Chalk one up for changeless change. If the law was unjust, well, it was left so.

Now it is being reported that when fairness and the law collide, Justice Alito is troubled:

“the Supreme Court considered the case of Cory R. Maples, a death row inmate in Alabama whose lawyers had missed a deadline to file an appeal. ‘Mr. Maples lost his right to appeal,’ Justice Alito said, ‘through no fault of his own. . . . But a ruling for Mr. Maples,’ Justice Alito continued, ‘could require the court to adopt principles that would affect many, many cases and would substantially change existing law.’ He said he was reluctant to impose new burdens on government officials and to allow clients to second-guess their lawyers’ decisions in order to provide relief to Mr. Maples.”

Notice how easy it is for Mr. Alito to justify denying Mr. Maples justice because of a “reluctance to impose new burdens on government officials.” My, my, those poor overburdened governmental officials! Does their need for protection from their being overburdened trump a plaintiff’s need for just treatment? Apparently so.

The Court’s justices claim that “error correction” in particular cases is not their function but that the Court’s task is to “establish legal principles that will apply in countless cases.” But the Constitution never tasks the judicial system with that function, although it does direct not only the Court but the nation to

“establish Justice.” Furthermore, if the establishment of legal principles were the Court’s primary function, after almost two and a half centuries, one would expect to have on hand a list or booklet of such principles that have been established. But no such booklet or list exists. Establishing legal principles is not what the court does. To understand what the Court does do, see my piece, The Supreme Court’s “Make Believe Law.”

Cases such as Cory R. Maples, Petitioner v. Kim T. Thomas, Interim Commissioner, Alabama Department of Corrections where a conflict exists between some legal principle and justice are not rare. At the present time several such cases are before the Court: a Georgia case about whether government officials are protected from civil lawsuits even if they tell lies that lead grand juries to vote for indictments, and an appeal from Charles Rehberg who was indicted three times involving charges that he harassed doctors affiliated with a politically connected south Georgia hospital system. After the third indictment was dismissed even before a trial, Rehberg sued local prosecutors and their investigator, James Paulk arguing that Paulk’s false grand jury testimony led to the indictments. In two other cases, the Court has shown little enthusiasm for reopening the cases of criminal defendants who lost good plea deals because of bad advice or bungling by their lawyers. At issue is whether to extend the right to competent legal advice to plea deals. Most of the justices seem to be reluctant to give defendants a new trial or a shorter prison term because a lawyer’s mistake caused them to miss out on a favorable plea.

Most people, I suspect, would say that it is unfair, and in a legal context unjust, to penalize someone for someone else’s mistakes.

But not the Court. Fairness or justice is not it's concern as Oliver Wendell Holmes once confirmed:

In a 1958 lecture, Judge Learned Hand, a towering presence on the federal appeals court in New York, recalled saying goodbye to Justice Oliver Wendell Holmes Jr. as the justice left for the Supreme Court. "I wanted to provoke a response," Judge Hand said, so as he walked off, I said to him: "Well, sir, goodbye. Do justice!" Justice Holmes gave a sharp retort: "That is not my job. My job is to play the game according to the rules."

Well, there you have it, plain and simple, straight from a horse's mouth. The American legal system is nothing but a game played by lawyers and jurists to rules they have made up themselves. Justice, fairness, doing the right thing, has nothing to do with it. How could this ever have come about?

Well, it happened a long time ago. In 1803, the Court issued what is often referred to as a "landmark" decision that is a paradigm for the Court's unjust opinions.

William Marbury, who had been appointed by President John Adams as Justice of the Peace in the District of Columbia but whose commission was not subsequently delivered, petitioned the Court to force Secretary of State James Madison to deliver it. Although the Court, with John Marshall as Chief Justice, held that Marbury had a right to the commission, the petition was denied. Marshall held that the part of the statute upon which Marbury based his claim was unconstitutional. So here, in this "landmark" case, the Court denies a plaintiff what he is entitled to. No justice here!

Of course, Marshall provided an argument, but it is entirely specious. What this case is most famous for is not what was done to Marbury but for what the Court did to the Constitution. This case was used by the Court to establish its superiority over the other two branches of the government. Marshall claimed that, "It is emphatically the province and duty of the Judicial Department [the judicial branch] to say what the law is," thus establishing what is known as the doctrine of judicial review in American jurisprudence. However, nothing in the text of the Constitution explicitly or even implicitly grants that power to the Court.

There is much dispute over the origins of the doctrine, but it certainly can be traced to England in the 1600s, a time when the Monarch was supreme and the legislature was subordinate. But the English abolished this practice in the Glorious Revolution (1688) when the idea that courts could declare statutes void was abolished as King James II was removed and the elected Parliament declared itself supreme. The Glorious Revolution began modern English parliamentary democracy; never since has the monarch held absolute power, but Marshall introduced this anti-democratic practice into America by making the Court's decisions absolute. There is no procedure for voiding them. So John Marshall destroyed democracy in America a century after the principle he relied upon was removed from English law as the English progressed toward becoming a democracy. Marshall gave America the monarchial legal system of England that was in effect in the 1600s, and since the American constitution presented no easy way to overturn this decision, America has been stuck with a 17th Century legal system ever since. The backwardness of American society was insured in 1803. Marshall usurped the young nation's constitution and made the United States into just another reactionary seventeenth century European authoritarian

society adorned with the trappings of democracy. At that moment, America's fate as a failed state was assured, if success is measured by the goals set forth for the nation in the Constitution's Preamble.

Marshall knew this, of course. He knew that he and his colleagues on the Court could rule any way they wanted to and nothing could be done about it. They could just as easily have granted Marbury's petition and justified it on the grounds of having to "establish justice." But they didn't! In a sense, what the Court did can be viewed as unconstitutional.

This decision opened the door for the Court's long history of unjust and spuriously argued opinions issued by people, such as Louis Powell and the members of the current Court, with personal agendas. These decisions stand only because no method of rejecting them exists. So the Court cannot be relied upon to ever "do the right thing." It will always do merely what the majority of the Court's justices want to. A long line of justices have used this power to write their own predilections and opinions into American case law, a result of which is a plethora of unjust principles embedded in American jurisprudence which results in the injustices being repeated over and over.

So not doing the right thing, unfairness, injustice has deep roots in America. And since that is so, why should anyone believe that any American institution can be counted on to do the right thing if the courts cannot?

The unfairness of American society is being recognized by many. Eighty-nine percent of Americans say they don't trust their government; Congress has a mere 9% approval rating; America's



financial institutions are widely considered to be corrupt; some are seeking to enact an amendment to the Constitution to undo the Court's decision in Citizen's United. But the overturning one decision will not ameliorate no less solve America's problem with unfairness. It requires a complete overhaul of the legal system.

What's most difficult to understand, however, is why no one respected in the legal community will stand up and say, "It's wrong"! Where are the deans of our law schools, our eminent legal scholars, our judges, our practicing attorneys? Why have none either the moral courage or the intellectual honesty to stand up for "doing the right thing"? Is a legal education so brain washing that these people have no minds of their own? (If you want an example of the type of student that is attracted to law, read, Massachusetts Law Professor Calls Care Packages for U.S. Troops 'Shameful'.

The framers of the Constitution wanted to insure that the government created by it could never become strong enough to become tyrannical. They sought to put checks and balances on the branches of government; however, they neglected to place a check on the Court and the Court's justices quickly used that failure to become an absolute oligarchy whose opinions could not be overturned. They became James II puppets. The only way to correct this problem is to place a check on the Court's power, not overturn a decision here or there. The Court's power needs to be limited. I can think of at least a half dozen ways of doing that, but I suspect that the most effective would be by giving the American people the power to reject Court decisions by means of referenda. Such a practice would put the power right in the hands of the people; thus, not only limiting the Court's power but enriching

American democracy at the same time. Marbury v Madison would be undone.

What this piece presents is not especially new. Thoughtful people have known it since Marbury v. Madison was promulgated. Thomas Jefferson knew it immediately, and said so. Was he the only true patriot America ever had? It's certainly possible.

## THE CONSTITUTION NEVER HAD A CHANCE

An eminent North Carolina jurist, with whom I served on a Criminal Code Revision Commission, once told me that the law is what the last court that looks at it says it is and even then, its Justices usually disagree. I told him that there must be something very wrong with such a system. Thinking about this issue and attempting to isolate the arguments in Supreme Court decisions for use in my logic classes over decades, I came to the conclusion that so many things were wrong that even selecting the most egregious would be difficult. Perhaps that is why I have not attempted to write this piece until now.

It has been recently reported that Justice Scalia said “This Court has never held that the Constitution forbids the execution of a convicted defendant who has had a full and fair trial but is later able to convince a habeas court that he is ‘actually’ innocent. Quite to the contrary, we have repeatedly left that question unresolved, while expressing considerable doubt that any claim based on alleged ‘actual innocence’ is constitutionally cognizable.” In all likelihood, he is right, but that just proves that the Court has never had the establishment of justice as a principal concern even though the Constitution lists it as one of the six goals the nation was meant to achieve. What no Justice has ever been able to claim, however, is that the Court has never issued a bad decision.

The Court’s willingness to deny plaintiffs justice was demonstrated as early as 1803 in *Marbury vs Madison* in which the Court held that Marbury was entitled to his commission as a Justice of the Peace in the District of Columbia but refused to issue a writ of mandamus on the basis of a legalistic claim that the

Court lacked jurisdiction even though the Court had issued such writs twice before Marshall became a Justice. No doubt, Justice Marshall wrote this opinion to keep the Court out of a rancorous political dispute between Republicans and Federalists going on at the time, but the Constitution nowhere instructs the Court to act in that way.

Few know that some people engaged in the ratification process anticipated the possibility that the Court would issue decisions that denied plaintiffs justice. The State of New York, for instance, recommended the adoption of the following amendment.

That persons aggrieved by any Judgment, Sentence or Decree of the Supreme Court of the United States, in any Cause in which that Court has original Jurisdiction, with such exceptions and under such Regulations as the Congress shall make concerning the same, shall upon application, have a Commission to be issued by the President of the United States, to such Men learned in the Law as he shall nominate, and by and with the Advice and consent of the Senate appoint, not less than seven, authorizing such Commissioners, or any seven or more of them, to correct the Errors in such Judgment or to review such Sentence and Decree, as the case may be, and to do Justice to the parties in the Premises.

Unfortunately, this attempt to limit the power of the Court lacked sufficient support to become part of the Constitution.

But decisions that deny plaintiffs justice are only one of many kinds of bad decision the Court has issued. Lists of such decisions are ubiquitous. *Dred Scott vs Sandford*, *Plessy vs Ferguson*, *Wickard vs Filburn*, *Korematsu vs United States*, and *Lochner vs*

People Of State Of New York are just a few of the most infamous. Some have been overturned. But bad decisions are nevertheless quite common. The question is why they occur?

Consider the implications of any split decision. The most important is that the opinion written for the majority lacks enough cogency to convince the minority. No decision based on an argument that lacks cogency can be good. Such decisions can be likened to using a mathematical procedure based on a theorem with an invalid proof or programming a computer to be used to send a vehicle to the moon with incorrect data. Eventually the result is disastrous. Next, split decisions promote divisiveness. Although a decision ends a specific case, it does not end the controversy; often it increases it. Consider the reaction of both the public and some state legislatures after *Palazzolo vs Rhode Island* in which the Court's 5-4 decision, written by Justice John Paul Stevens, said the Constitution permits governments to condemn a person's property as part of a broader economic redevelopment plan to revitalize a distressed community. But the Constitution lacks a single reference to economic or commercial development. Other divisive decisions are too well known to need mention.

Jerome Frank in *Law and the Modern Mind* argues that judges decide cases according to their own personal prejudices and foibles, which certainly seems to be true. But is this practice right? Justice Benjamin Curtis, dissenting in *Dred Scott vs Sanford* writes, "if the theoretical opinions of individuals are allowed to control [the Constitution's] meaning, we have no longer a Constitution; we are under the government of individual men who for the time being have power to declare what the Constitution is, according to their own views of what they think it ought to mean." And Justice Holmes, dissenting in *Lochner vs the*

People of the State of New York writes, “a Constitution is not intended to embody a particular economic theory, whether of paternalism and the organic relation of the citizen to the state or of laissez faire. It is made for people of fundamentally differing views, and the accident of our finding certain opinions natural and familiar, or novel, and even shocking, ought not to conclude our judgment upon the question whether statutes embodying them conflict with the Constitution of the United States.”

When justices on the Court discovered that they could decide cases “according to their own personal prejudices and foibles,” the Court became the de facto totalitarian oligarchic government of the nation from which there is no appeal. The Court’s decisions override the Constitution, turn democracy into a mere formal exercise, and betray the people. The Constitution never really had a chance.

The Court has brought this about by employing a number of fallacious practices.

The first is the fallacy of citing English common law. But what does English common law have to do with the United States of America? The only reference to it in the Constitution is in the seventh amendment, where common law suits are restricted in terms of their monetary value. The common law is not enshrined in the Constitution itself. True, the original States, the colonies settled by Englishmen, did make the common law the basis of their State legal systems, but the United States of America did not.

Some have claimed that the federal courts act only as interpreters of statutes and the Constitution by merely elaborating and precisely defining language. But before 1938, the federal courts

acted as common law courts, deciding any issue whether the legislature had acted or not, by looking at what courts had done even when there was no authority for doing so in the Constitution. But since 1938, the Court has begun to overturn earlier decisions based on common law principles. Still, much common law is embedded in judicial decisions.

First, the essence of the common law is that it is judicial law – legislation from the bench. The common law can be defined as law developed from the rulings of judges rather than from statutes passed by legislatures or from written constitutions. But the Court, as final arbiter of the law, turns all reviewed law into judicial law. When Justice Marshall wrote in *Marbury vs Madison*, “It is emphatically the province and duty of the judicial department to say what the law is” he made a mere claim unsupported by argument that gave the Court the final say. The legislature is relegated to the subordinate position of proposer while the Court assumes the position of disposer, and the Senatorial practice of asking those appointed to seats on the Court about their judicial philosophies is pure cant.

Second, the common law was formulated by circuit judges appointed by English monarchs, and as such, always favored the interests of the monarchy and the aristocracy.

Third, precedent, *stare decisis*, is a common law principle which the Court continues to utilize. And since no one can deny that the Court often makes bad decisions, *stare decisis* merely distributes the bad effects of those decisions throughout the legal system. Proponents of *stare decisis* claim that it is needed to provide consistency in the legal system. But consistency per se is not a

virtue. Machiavelli's *The Prince* is supremely consistent, but it is irredeemably evil.

Argument by precedent (authority) is a mode of reasoning long discredited. It was used extensively during the Middle Ages mainly by theologians. (Interestingly, the common law arose during the Middle Ages.) It was discredited because authorities are often found to be wrong.

An argument must stand on its own or fall. If a precedent is based on a sound argument, that argument can be reproduced in subsequent opinions almost as easily as the precedent's citation can. But reproducing a precedent's argument is almost, perhaps never, done, because often the precedent is itself based on a prior precedent. Often the subject of the precedent is so different from the subject of the current case that the argument in the precedent would be seen to be ridiculous if it were reproduced. Often nothing in the precedent can be identified as an authentic argument. So the Court's practice is to merely cite the precedent's finding, and those findings, when bad, become embodied in the legal system, perpetuating errors and their malevolent consequences—not a good way to make the law that governs a society.

The second is the fallacy of cherry picking the Constitution. Justice Marshall cherry picked the Constitution in *Marbury vs Madison* when he based the decision to not grant Marbury a writ of mandamus on Article III of the Constitution rather on the goals stated in the Preamble, giving a formal rule more importance than the Constitution's intent even though he also wrote, "a law repugnant to the constitution is void, and that courts, as well as other departments, are bound by that instrument." But can a law



or decision that hinders a Constitutional goal not be repugnant to it?

The third is the fallacy of figurative interpretation. This fallacy is perhaps the most often used to subvert the Constitution's aims. "Corporation" becomes "person," "contribution" becomes "speech," "speech" becomes "property," and on and on. Instead of precisely defining language, the Court muddles it. Interpretation by means of figures of speech, especially metaphor and analogy, makes any desired finding possible. If the Constitution's language is not to be interpreted literally, using the common meanings given to its words at the time they were written, it may just as well have been written in gibberish. Try making sense of Chaucer's Canterbury Tales without being fluent in Middle English! So if one wants to know what the framers meant, one must be fluent in the language they spoke. Their intentions cannot be discerned otherwise.

The fourth is the fallacy of ignored qualifiers. For instance, it can easily be argued that the Constitution prohibits corporations from lobbying (which is nothing more than a way of petitioning the government). The first amendment reads, "Congress shall make no law . . . abridging . . . the right of the people . . . to petition the Government for a redress of grievances." If one reads the Constitution's language literally, however, the word "people" applies only to human beings; its cognates are populous and population. Only human beings are counted in the census. The first edition of Noah Webster's Dictionary of the American Language, published in 1828, as well as the Oxford English Dictionary both make this quite certain. Webster's definition is: PEOPLE, n. [L. *populus*.] The body of persons who compose a community, town, city or nation. We say, the people of a town;

the people of London or Paris; the English people. In this sense, the word is not used in the plural, but it comprehends all classes of inhabitants, considered as a collective body, or any portion of the inhabitants of a city or country.

But even if this definition is ignored, the amendment clearly states what can be petitioned for – only a redress of grievances. When corporations petition the Congress, they are seeking advantages. Had the framers meant to allow petitioning for anything at all, they would not have qualified the amendment by attaching the prepositional phrase. Anyone who reads this amendment differently is delusional.

Some of these arguments have been made previously by many others. Most of the Justices of the Court have paid them scant attention. They have done so because, as the final arbiter of the law from which there is no appeal, they can do whatever they please with complete impunity. That is the definition of tyranny. The Court has not only annulled the Constitution, it has aided and abetted the corporate corrupting of all the government's branches, the corrupting of the electoral process, and the destruction of the people's freedoms and protections. The Court will not reform itself.

A Constitutional amendment could be used to limit the Court's power, but such an amendment would have to be carefully crafted to not only prohibit the Court from using any of the fallacious procedures discussed above but also require the Court to present a discussion of how the consequences of decisions would affect the lives of common people and show how those consequences promote one or more of the goals of the Constitution enumerated in the Preamble. (Congress should be

required to include such discussions in all enacted laws too.) The chances of ever having such an amendment proposed and enacted by a government already deeply steeped in corruption is anybody's guess.

But perhaps there are other non-governmental ways. Theoretical mathematicians world-wide routinely examine published proofs of new theorems to check their validity. Mistakes are often found and theorems are rejected. The amendment mentioned above proposed by the delegates to the New York ratification convention can easily be altered into a proposal for the establishment of a completely voluntary body of learned people, free of political attachments and ideological biases and selected from all intellectual disciplines, who would pledge to analyze all Supreme Court decisions using principles of critical reasoning. These analyses could then be published on the Internet and syndicated widely. If the Justices of the Court can't be forced, perhaps they can be shamed into fulfilling their obligations to their oath of office.

The nation Americans live in today is vastly different from the nation envisioned by the founders when measured against the goals written into the Constitution's Preamble.

We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.

The union is not only far from perfect, it is becoming less perfect; even voices of secession are once again being heard. Justice, at

least for common people, is rare. Violence is epidemic and people are arming themselves in unprecedented numbers. The vast military and industrial complex and the so-called intelligence community have not provided a credible common defense. Poverty and the gap in income between the rich and poor are increasing. And the blessings of liberty and our protections to privacy are being curtailed. The United States of America needs to be taken back from the politicians, lawyers, and their favored special interests who have usurped it.

Perhaps we need to rewrite the Pledge of Allegiance and define all truly patriotic Americans by those who recite it:

“I pledge allegiance to the Flag of the United States of America, and to the Republic for which it once stood, one Nation, indivisible, with liberty and justice for all.”

The current pledge is a lie.

## THE LEGAL SYSTEM'S ROLE IN THE DISINTEGRATION OF AMERICA

*"The biggest problem is not to get people to accept new ideas, but to get them to forget the old ones." – Nassau Senior*

When I was a boy, about 75 years ago, maxims about the legal system were commonly known. As children we were taught that it was better that guilty persons should go free than the innocent be convicted. Children were also taught that it was wrong to take the law into their own hands. These were lofty principles that have somehow tumbled from their high perches. Today, those associated with the Innocence Project have proven conclusively that the innocent are routinely convicted, and stand your ground laws have made taking the law into your own hands legal whenever the miscreant can plead that s/he feared for her/his life. Of course, no one can ever disprove that claim. How can a claim of I was afraid be disproved? Insects make some people fear for their lives. Even police can make that claim successfully. In Arkansas a SWAT team, more heavily armed than the troops that landed on the beaches of Normandy in 1944, killed a 107 year old man it was called upon to help. The special prosecutor hired to investigate the incident exonerated the squad, saying the killing was justified because the members of the squad feared for their lives. Sure they did!

How can convicting the innocent and taking the law into your own hands have become so acceptable and so prevalent? How could Americans become so antagonistic to one another? Well, it took some time, but it is a logical consequence of the way the American legal system was developed and how it works. People are told that the law ought to be respected and obeyed, but if you

read this piece to its end, you may never again respect the law, the legal system, or anyone in it.

It all began in England. (So many of the world's wrongs began in England!) Known as the Common Law, it began sometime after William conquered Harold in the Battle of Hastings. Before then, disputes were settled by local bishops and sheriffs in ecclesiastic courts. Ecclesiastical courts had scholastic philosophy and the Bible to guide decisions. Then Henry II began sending judges from his court throughout the country to adjudicate disputes according to their own notions of right and wrong. They had no principles of justice to guide their judgments; nor were they especially upright men. Many were openly corrupt, and judgments to benefit the monarchy were common. When these judges returned to the king's court, they discussed their cases with each other. In time, a practice, known as precedent, was developed by which judges agreed to follow the decisions of other judges. When judges began to respect each other's decisions, a system of law common throughout the whole of England, the common law, came into being. Much of this practice exists in America today.

Common law judges were the primary source of law until Parliament acquired legislative powers. This kind of legislating from the bench was asserted to be the primary source of law in the U.S. by the Supreme Court in 1803 under John Marshall.

John Marshall did two things in *Marbury v. Madison* that fundamentally changed the newly created nation. First he assumed the court's power to overrule acts of Congress by asserting the common law principle that "It is emphatically the province and duty of the judicial department to say what the law

is.” While true in common law, that principle was lost when Parliament acquired legislative power in 1649. The American Constitution gives the Congress alone, not the judiciary, the power to say what the law is. The responsibility of the court is only to say if the law has been broken. This assumption of power by the Court from which there is no appeal possible by the Congress, the President, or even the people made the nation into an oligarchy of judges with absolute authority. The United States of America was no longer an incipient, enlightenment democracy although it retained democratic trappings.

The second thing Marshall did was provide the legal system with a paradigm for promoting injustice. Marshall writes that Marbury was entitled to his commission but refused to grant it saying the Court lacked jurisdiction just after having said the Court had the duty to say what the law is. He could have merely claimed jurisdiction. American courts have been promulgating unjust decisions ever since. They merely assert that the law says something it doesn't say, as, for instance, that the Bill of Rights applies to corporations. The faults of this system have become evident and their disastrous consequences indisputable.

In the absence of any commonly recognized standards of justice, the legal system has become replete with bad (unjust) decisions. Except for errors made by jurors in jury trials, these decisions serve as precedents which means that they propagate themselves spreading injustice everywhere.

As a matter of fact, the Supreme Court of the United States is infamous for making bad decisions. Numerous lists of them are on the Internet. Progressives post lists, moderates post lists, conservatives post lists, professors post lists, and journalists post

lists. What these lists prove is that the Court has made a vast number of bad decisions, and while Justices of the Court issue opinions based on their personal predilections, those who post the lists use their personal beliefs too. So when asked, "When it comes to Supreme Court cases, what do you think were some of the most damaging to the cause of liberty?," Judge Napolitano replied, "Almost all of them." I suspect that there is not a single opinion issued by the court that has the concurrence of all people. Yet it appears that no one in the legal profession, especially in law schools, cares or wants to fix this abominable situation. No members of the Court has ever expressed and shame over being on a Court that regularly issues bad decisions. Apparently the Court's members like being wrong or at least are not disturbed by it.

If this were not bad enough, the Court's decisions exacerbate social conflicts and make it certain that this nation will never be domestically tranquil which is something the Constitution cites as a goal of the nation. Why? Because appellate court decisions are made by tribunals instead of single persons, and the decisions are rarely unanimous. If the concurring members of a court cannot even convince their dissenting colleagues that their decision is right or just, how can anyone expect them to convince the general public?

This inability to convince critics is a result of the way the Court operates. When the Court accepts a case, its members read various briefs submitted by interested parties and hears oral arguments. Then the case is decided by a vote of its members. At that point, the case is over even though no opinion has yet been written. So what function does the opinion have? It is certainly not written to convince anyone of anything. It becomes obvious



upon reflection that the opinion's sole purpose is merely to document its sequence of precedents so subsequent jurists can cite the case in deciding similar cases. No one member of the Court need care whether anyone agrees with a decision, because the decision is absolute; only a Constitutional amendment can overture it, and passing an amendment is both time consuming and burdensome.

That decisions of the Court often do exacerbate disputes among the citizenry can easily be demonstrated.

When Chief Justice Roger Taney wrote the opinion in *Dred Scott v. Sandford* (1857) he believed he was resolving the issue of slavery in America but all he did was inflame the passions of those who advocated freedom. The result ultimately was the Civil War in which upwards of 750,000 people were killed. The war freed the slaves, but did not resolve the problem which still exists today as racism. The Court continued to prolong the problem by refusing to enforce Constitutional amendments 13, 14, and 15 which allowed "Jim Crow" practices to continue in the South for 125 years. This issue has still not been resolved. Many people believe that America still is a racist country today.

In 1973 the Court issued its opinion in *Roe v. Wade* giving women the right to have abortions under certain conditions. The decision only antagonized lifers so that the issue remains unresolved to this day, becoming a major issue in every election since.

There are many other decisions that could be cited, but these, one conservative and one liberal, were cited to show that ideology, while important, is not the cause of bad decisions. The issue of

bad decisions is systemic, caused by the system itself. American judges are not selected for their Solomonic wisdom but for political reasons. All judges act the same way. By the rules of the game, they search for precedents that support their personal preferences. With a history of two hundred years of decisions, precedents that support every inclination can be found. To have any confidence in such a legal system is impossible. If united we stand, divided we fall has any validity at all, America is a doomed nation. The people will never enjoy equality under the law.

Troubles with trial courts are equally severe. Almost any other attempt at solving problems is preferred to trials, which have gotten much too expensive, take much too long, and yield much too uncertain results. Corporations prefer out of court settlements or arbitration, which because of how arbitrators are selected, has become worse than trials by jury. Defendants and prosecutors prefer plea agreements. The results of trials are far too uncertain for anyone to rely on them. And now if a person has a gun, the dispute is often settled in the street.

But s/he goes to jail, you say! Maybe, maybe not. In criminal trials, the state bears the cost of uncertain trials, not the defendant who has become a law unto her/himself, and the outcome is always uncertain. And just as with appellate court decisions, judges who render what the public considers to be inappropriate sentences cause raucous disagreement among the people and diminishes respect for the legal system.

Americans are often told that this is a nation of laws rather than men. But is it? If a tribunal of nine old men (and women) have the authority to "say what the law is," isn't that a nation of old men

(and women)? How can it be otherwise? And the law, what function does it have anyhow?

Well it provides society with some semblance of order some say. Yes! But look at that order carefully. When a woman is arrested for driving an automobile in Saudi Arabia, a woman who has done nothing morally wrong or injured anyone, is that a law that provides order? When a person is arrested in America for possessing marijuana, a person who has done nothing morally wrong or injured anyone, is that a law that provides order? If a person is arrested in China for advocating democracy, a person who has done nothing morally wrong or injured anyone, is that a law that provides order? I suspect not! These people have merely broken the saw! Such laws are instruments of repression. All laws are essentially instruments of repression, and as such are not worthy of respect.

Of course, some repression is necessary in all societies. The repression of violence, actions injurious to others, dishonesty in transactions are among them. But nonviolence, actions not injurious to others, and honest actions in transactions are not. But because something is sometimes necessary doesn't necessarily make it worthy of respect.

When the Chinese incarcerate those who advocate democracy and Americans incarcerate those who are caught possessing marijuana, people are being incarcerated merely for doing something the established in control of society disapprove of. Law always functions that way. It defines what the established approves and disapproves of, and people are expected to conform. Being told that the law ought to be respected and obeyed is nothing more than an attempt to get people to conform

to what the status quo desires. So if you're a critic of society and advocate any kind of change, the law is an instrument to be used against you. In a society like America's. "liberty and justice for all" is impossible. These are impossible in most other societies too. That is what Tacitus meant when he wrote, "laws were most numerous when the commonwealth was most corrupt." Law does not set one free; it's always repressive. Calling a person a justice doesn't make her/him just, and people do not become honorable by calling them "your honor." Desiderius Erasmus called lawyers jackals; was his view correct?

If united we stand, divided we fall means anything, it means that a large degree of conformity must exist in society. But conformity is brought about in two different ways —by wise laws that people obey willingly or by unwise laws that people obey in fear. The latter kind of conformity is apparent only, is not real. In that kind of society, disunity lurks in the shadows and expresses itself in widespread criminality. The huge number of incarcerated Americans proves that shadows are everywhere.

What passes for justice in America is very odd. Being schooled in what the law is rather than what the law should be, American lawyers look to the past rather than the future, so they tend to be conservative, to maintain the status quo. They tend to want to retard and even reverse human progress. They favor corporations over consumers and the working class, no member of which has ever been a federal judge. The Court overturned minimum-wage laws, workers' compensation statutes, utility regulations, and child labor laws. In the early 1930s, it struck down New Deal legislation. It struck down a statute that made the financial industry fair, rejected a suit by women against a woefully discriminatory company, shielded the makers of drugs from

lawsuits by patients who had been harmed, rejected lawsuits against mutual fund cheaters and liars, and disallowed a suit by inmates even though prosecutors failed to reveal exculpatory evidence. Blatant injustice! Is it any wonder that American society is disintegrating?

The system of Common Law is an eleventh century phenomenon. It didn't mesh with the Constitution of 1789. Jefferson wrote after the Supreme Court's decision in *Marbury v. Madison* that the Constitution was "a thing of wax in the hands of the judiciary, which they may twist and shape into any form they please." The judiciary has shaped it poorly.

Various sessions of the Supreme Court are often identified by naming them after their chief justices, for instance, the Marshall Court, the Warren Court, and now the Roberts Court. But the Court is really just a Robbers Court. It deserves no one's respect! As the American government seeks to destabilize nations in far off places, the legal system is destabilizing the country from the street to the halls of Congress. Absolutely nothing good can come of it.

## THE MYTH OF BUSINESS FRIENDLY LEGISLATION

About a year ago, I posted a piece titled Killing the Goose that Laid the Golden Eggs. The gist of the piece is that although the farmer foolishly killed the golden goose, he nevertheless still had all the golden eggs she had laid before he killed her and was still much better off than he had been before the eggs were laid. I wrote, "Our governments have allowed [the business] community to decrease the wages of workers, eliminate relatively high-paying jobs by transferring them to foreign nations where wages are considerably lower, and create an ever growing income gap between workers and corporate officers. These corporate officers have become the mythical farmer, and their greed is killing the goose." But since that community has profited immensely, the goose's death may not matter.

This piece recently brought this response from a person identified only as Bill:

Interesting. Except private business is the golden egg and the farmer is the government. I am a business owner who creates jobs for dozens of people and the government is taxing me to death. Unlike what Jefferson supposedly said, my country is the USA.

I presume that Bill is a "small" businessman; he employs "dozens" not thousands of people. I sympathize with Bill's complaint about taxes; however, he puts the blame on the wrong party.

When one speaks about "business," what is claimed is expressed in an empirical generalization. If, for instance, someone says businesses corrupt governments, s/he is saying that businesses

generally do it, and all empirical generalizations have exceptions. So the statement can be true even if some businesses do not instantiate it. Bill's comment appears to imply two things, although neither of which is stated explicitly.

The first is that businesses deserve some kind of venerable status merely because they create jobs. It is true, of course, that in a capitalist economy, businesses are a necessary condition for the creation of jobs. Without them, jobs don't exist. Businessmen seem to believe that this makes them special and deserving of special considerations. But the converse is equally true. Without labor, businesses don't exist. The availability of labor is a necessary condition for the creation of businesses. So logically, any special considerations for the one should apply equally to the other. When businesses, in an inflationary economy, claim that being required to raise wages will force them to raise prices, which in turn will reduce sales and profits and perhaps put them out of business and therefore eliminate jobs, labor can claim that not raising wages will require them to reduce their consumption which will reduce sales and profits and perhaps put their employers out of business and therefore eliminate jobs. The results of both actions are identical, so the claims are nugatory. Taxes work the same way. If businesses are taxed, profits are reduced and if consumers are taxed, sales and profits are reduced.

But so-called business friendly legislation is not really business friendly. If the financial industry, for example, is allowed to offer consumers credit at usurious rates, the interest paid to banks reduces the purchasing power of consumers, so other businesses lose sales. Every dollar spent on interest is a dollar not spent on the purchase of a product. Worse, if a business accepts consumer credit, the issuing bank not only charges consumers interest, it

charges the participating businesses transaction fees which reduce profits. So legislation “friendly” to one industry is decidedly unfriendly to the others.

The other is that businesses should be relieved of the burdens of taxation. But governments must be funded. If businesses don't share in the burden of taxation, the burden falls on consumers, who then have less spendable income. However things get even worse, especially for small businesses, when large businesses can have favorable loopholes written into the tax code. Large businesses are more able to bear the burden of taxation by virtue of their size alone. When they are allowed to evade taxation, a heavier burden falls on both consumers and small businesses. So when Bill complains about taxation, his complaint should be directed not at government but at the businesses that can influence government to provide industry-friendly conditions that are delivered at the expense of everyone else.

Modern systems of taxation are absurd. These systems make often make taxes avoidable and expensive to collect. The vendors who collect consumption taxes such as sales and value added taxes are paid to collect them which reduces the amount of taxation that the government nets. Batteries of attorneys are in the business of telling the wealthy how to avoid taxation, and income taxes are ultimately paid by employers who expend vast amounts making the required bookkeeping calculations. And when governments need money the most, as in economic downturns, these systems make it impossible to collect, because they are collected from those least able to pay. These systems of taxation are chiefly responsible for governmental budget deficits.



There really is only one logical source of taxes—those societal entities that have money, and the most efficient and productive method of taxation is an asset tax. “As Willie Sutton, the bank robber, said when asked why he robbed banks, ‘because that’s where the money is’. Any good mathematician could devise a formula for collecting the amount needed by government from moneyed societal entities once rigorous methods were devised to prevent these entities from hiding assets. An asset tax is nothing more than a personal property tax of the kind in effect in many taxing jurisdictions. The rates could be adjusted frequently to ensure that governments get the income they need to balance their budgets, and it would be collectible even in economic downturns.

Legislators have demonstrated their inability to fix any pressing social problems over many decades. The reason is the status quo’s addiction to the notion that being friendly to the business community automatically enhances the welfare of all. Although all the empirical evidence invalidates this notion, it nevertheless still prevails. This notion needs to be abandoned, for as Amos Bronson Alcott wrote, “A government, for protecting business only, is but a carcass, and soon falls by its own corruption and decay.” There is nothing friendly about “business friendly” legislation.

## THE MYTHICAL UNITED STATES OF AMERICA: RUSHING INTO BACKWARDNESS

The mythical United States of America so highly lauded exists nowhere. It is a Shangri-la. The Preamble of the Constitution makes perfectly clear what kind of nation the United States was meant to be. What exists today fulfills none of those goals. Some have argued that the nation was a fraud from day one. Whether accurate or not, what is clear is that it most certainly was quickly murdered by John Marshall, Chief Justice of the Supreme Court, who wrote the decision known as *Marbury v. Madison*. Since that day, the Court has replicated England's seventeenth century political economy absent only the monarchy. Today's United States of America is a seventeenth century nation adorned with twenty first century trinkets, many deadly. Instead of being as it claims "the leader of the free world," it is a backward authoritarian pre-enlightenment reactionary regime.

Because my OED is inaccessible at the moment, I cannot specify exactly when the word 'philanthropy,' which etymologically means "love of mankind," came to be applied to the donating of money to build self aggrandizing enterprises. But alas, it has! People seem to have a way of twisting meanings in ways that make the malevolent appear benevolent. And so, enterprises of all kinds have been funded by such 'philanthropy.'

For instance, Carnegie Mellon University was founded by Andrew Carnegie, Andrew W. and Richard B. Mellon; Cornell University was founded by Ezra Cornell and Andrew Dickson White; Purdue University was founded by John Purdue; Rice University was founded by William Marsh Rice; Stanford

University was founded by Leland Stanford and his wife. There are hundreds more.

There are museums, too (The Isabella Stewart Gardner Museum, The Amon Carter Museum of American Art, The Kimbell Art Museum, The Solomon R. Guggenheim Museum, The Whitney Museum of American Art and many more), concert halls (Louise M. Davies Symphony Hall, Carnegie Hall, Avery Fisher Hall, The Eastman Theatre, Morton H. Meyerson Symphony Center to name just a few), Opera Houses (The Nancy Lee and Perry R. Bass Performance Hall, The Dorothy Chandler Pavilion, The Peabody Opera House, The Margot and Bill Winspear Opera House, The BAM Howard Gilman Opera House), innumerable charitable foundations and buildings built for public use such as libraries.

Although it is difficult to deny some merit to most of these enterprises, it is also difficult to even imagine that when Christ said, "love thy neighbor as thyself," he was advocating the kind of love philanthropy has come to express. But belittling philanthropy is not the intent of this piece. These examples are intended solely to lay the basis for an exposition of some contrasts and to draw some revealing conclusions from them.

First of all, the kind of giving described above is not the only kind of giving that has become prevalent. During last week's midterm electioneering, unspecified amounts of money were donated anonymously to Political Action Committees in an attempt to influence the electoral process. What distinguishes this group of donors from those above is the anonymity. The benefactors, in the first group, like the Pharaohs of Ancient Egypt, have no qualms about putting their names on their projects. (I suspect that more

often than not, they insist upon it.) But not the donors in the second group.

Why? I suspect a principle lies behind the difference: People do not hide that in which they take pride! The benefactors in the first group are proud of their giving, they want it made known to all, they want to be remembered for it. So why wouldn't the "benefactors" in the second group be equally proud of their beneficence? Are they merely cowards who lack the courage of their convictions? Or are they ashamed of what they are doing? Are they hiding their shame behind their anonymity? In either case, they cannot be judged kindly.

Anonymity, however, is just one manifestation of a deeper and growing tendency in American society –the trend toward more and more secrecy, and no one, to my knowledge, has revealed the ultimate, disastrous consequences of this tendency.

Recently, Sir John Sawers, the head of Britain's Secret Intelligence Service, MI6, devoted much of a 30-minute address to the central role of secrecy in maintaining security. "Secrecy", he said, "is not a dirty word. Secrecy is not there as a cover-up. Secrecy plays a crucial part in keeping Britain safe and secure. If our operations and methods become public, they won't work."

Alas, Sir John is obviously not a master of the King's English. Secrecy is by definition a cover-up. But Sir John doesn't mean cover-up in the simple sense of hidden; he wants to claim that nothing unseemly or objectionable is being covered up. Unfortunately, that claim is impossible to verify and, if accepted, must be accepted on trust. If someone claims s/he did nothing wrong, the what and how of it must be revealed. How else could

it be shown? Yet Sir John claims that the what and how of it must be kept secret.

Consider the claim that the universe contains absolutely undetectable attributes. The sentence appears to make perfectly good sense, but it doesn't. How could the claim ever be given a truth value? All one can really do upon hearing or reading it is shrug one's shoulders. The sentence has no content. The claim that secrets are not cover-ups is similar. To know that what is secret is not a cover-up, the secret must be revealed, but by definition alone, a secret cannot be revealed and be a secret. Such claims are entirely meaningless.

So why should anyone trust the pronouncements of governments and their agents anyhow? That they lie has been demonstrated over and over again in history. In reality, all that the secrecy actually does is arouse suspicion; secrecy leads people to distrust their governments. It also leads nations to distrust each other, and a world in which nations distrust each other is unstable, dangerous, and primed for disaster.

Governmental secrecy also annuls any trappings of democracy that a nation may exhibit. Even a perfectly rational citizenry would be unable to make rational judgments on matters of policy that are kept from it by secrecy. How can anyone be expected to make a rational judgment about something s/he is unaware of? Rational thinking requires premises that are factual. Without that knowledge, the electoral process is a mere formal, meaningless exercise. The people may be told that they are sovereign, but they do not even play a meaningful role in the process. The trappings of democracy do not make a nation democratic. Only transparently revealed truth and honesty do.

Most people assume that the American government is paralyzed by ideological intransigence. The assumption is that our political class has taken the attitude, "my way or no way." But another possibility exists. Perhaps those who truly hold power, those who like things the way they are and want to contravene any change, immediately corrupt or isolate all newly elected officials and all of the ideological rhetoric that is heard is merely theater played to give people the impression that the politicians care. How else can anyone explain how everything stays the same after election after election calls for change? How else can the Congress continue to act as it always has in the face of decades of approval ratings in the lowest quartile? How else can anyone explain why Congress after Congress is a do nothing Congress? Is it because American elections are totally fraudulent? Is it because the Congress has a secret master who functions behind the electoral system?

The mythical United States of America so highly lauded exists nowhere. It is a Shangri-la. The Preamble of the Constitution makes perfectly clear what kind of nation the United States was meant to be. Read it! What exists today fulfills none of those goals.

Some have argued that the nation was a fraud from day one, that the convention that drafted the Constitution was comprised of colonial elite who set out to create a nation that protected their privileges. The facts cited by those making the claim are accurate; the reasoning is often strained. Yet the claim cannot easily be refuted.

Even if the nation was not stillborn, it most certainly was quickly murdered. The dastardly deed took place on February 24, 1803. The killer was John Marshall, Chief Justice of the Supreme Court,

who wrote the decision known as *Marbury v. Madison*, which is not only absurdly argued but treacherous on two accounts. First, Marshall takes the position that “It is emphatically the province and duty of the judicial department to say what the law is” which results in the Court’s becoming the sole Constitutional authority subject to no review. Since that day, the Court has ruled the United States of America as a judicial oligarchy. Second, the decision provides the Court with a paradigm on which it could base clearly and obviously unjust decisions. Marshall agreed that *Marbury* was entitled to relief but refused to provide it. That is clearly unjust; yet the Constitution clearly says that one of the nation’s purposes is to “establish justice.”

Even though Marshall’s argument is absurd, no one but Jefferson challenged it. He writes, “the opinion which gives to the judges the right to decide what laws are constitutional and what not, not only for themselves in their own sphere of action but for the Legislature and Executive also in their spheres, would make the Judiciary a despotic branch.” It is clearly contradictory to say on the one hand that the Court has the duty to “say what the law is” and then say that the Court is constrained from providing *Marbury* with the relief he is entitled to because the written Constitution doesn’t give the Court the authority to grant it. The written Constitution doesn’t give the Court the authority to “say what the law is” either. Yet no one pointed out that if it were the Court’s duty to say “what the law is,” legislatures are superfluous. So Marshall on this day, murdered the Republic.

Why no one but Jefferson cared is curious. Was it, indeed, because the colonial elite who had taken control of the government never really fully supported the Constitution’s republican principles? We will never know. But before the

Constitution was ratified, the colonies were rife with political tracts both in favor of and against its ratification. The Federalist Papers are the most well known of these and were apparently written by Alexander Hamilton, James Madison, and John Jay. All three were alive when Marshall's opinion was issued; yet none wrote a single tract in opposition to Marshall's action. How strange!

Yet, the result is obvious. What John Marshall did was reproduce England's seventeenth century political economy absent only the monarchy, and the courts have promoted and maintained this abomination ever since. Today's United States of America is a seventeenth century nation adorned with twenty first century trinkets, many deadly. Instead of being as it claims "the leader of the free world," it is a backward authoritarian pre-enlightenment reactionary regime. That people is the big secret! It dare not be revealed.

In early modern Europe the state was organized to fight more and more intense wars which requires professional armies and leads national governments into perennial debt. Some claim that the need to fight bigger and bigger wars created the state as we know it. Diplomacy was carried on by nations in secret from opponents, adversaries, and their own peoples. Although not yet known as such, Realpolitik characterized the age. Politics and diplomacy were based primarily on considerations of power and national interests, not ideals, morals, or principles. Balancing the power of authoritarian nations was said to be necessary to keep the peace, but it never did. How does this description of seventeenth century Europe differ from a description of the world's condition today? What is different?



Calling the United States a backward authoritarian pre-enlightenment reactionary nation may seem harsh, but how else can anyone explain, no less justify, the American willingness to overthrow democratically elected governments, support right-wing dictatorships, and become a willing partner with the most corrupt nations on earth? No nation steeped in the principles of democracy would engage in such practices.

So what do advocates of this seventeenth century realpolitik hope to achieve? To what end is this policy being pursued? Three hundred years of history has shown that it will never bring peace or security. Going to war to preserve the peace is absurd; anyone who advocates such nonsense should be ridiculed into hiding.

People, remember this. Empires upon which it was said that the sun never set disintegrated in plain daylight. All the king's horses and all the king's men could not bind them together. So I propose that everyone ask an Englishman this question: What of value does today's ordinary Englishman possess that s/he would not have possessed had the Empire never existed? When you learn the answer to that question you will realize how all the resources and lives lost to create and attempt to hold the Empire were totally wasted. And that is what always happens to the resources and people expended in empire building.

People, secrecy is an abomination. People do not hide that in which they take pride! When governments keep secrets, they're hiding shameful, immoral, or illegal acts. War is the opposite of peace and cannot secure it. Secrecy breeds distrust, suspicion, and conflict; they are not ways of winning friends and influencing people. Realpolitik is really Vilepolitik. Until the welfare of human beings everywhere rather than the welfare of institutions

becomes the goal of human activity, the people will never be anything but canon and factory fodder to be sacrificed for absolutely nothing worthwhile.

So it's time, past time, way past time to close the door on seventeenth century authoritarian government.

## THE SUPREME COURT, STRICT CONSTRUCTION, THE NRA, AND GUN CONTROL

Recently, while sitting in a waiting room, I came across a copy of the National Rifle Association's official magazine which contains an article about the second amendment and the Supreme Court's decisions concerning it. The argument is straight forward and has an aura of plausibility.

The gist of the argument is that the Court has held that the Second Amendment right applies to individuals, not groups or organizations. The amendment states that ". . . the right of the people to keep and bear arms, shall not be infringed. The amendment does not say that the right of the militia to keep and bear arms shall not be infringed." The NRA then argues that the government's sole responsibility is to enforce the laws regarding guns and their use already in effect.

There does seem to be some prima facie truth to the notion that rights belong to individuals, although the Constitution certainly is not absolutely clear about it. The first amendment, for instance, forbids the prohibition of the freedom of the press. Of course, the word press is an ambiguous term in current usage; it can mean a reporter or an institution such as a newspaper. Although a reporter is an individual, a newspaper is not; yet newspapers seem to have this right. And whether or not the cases cited by the NRA gives the right to keep and bear arms to individuals is difficult to determine, because Supreme Court decisions are not always lucid documents. They consist of a mixture of two types of argument: authority and presentations of fact.

The method of authority, most famously used by St. Thomas Aquinas, consists of a claim and a citation of an authority such as a Church Father or the Bible as its justification. The Court's use of this method consists of a claim and a citation from a previous

decision. But there is a vast difference between the two. Authorities cited by Aquinas are, in principle, not questionable. However, previous decisions of the Court are based on argument very much like the argument in any case in question and also contain both claims and citations. Since this chain of citations can be, and often is, extensive, it is almost impossible to expose the complete argument so its validity can be evaluated. It's as though the Court believes that once a decision has been handed down, the argument that justifies it becomes irrelevant, and it then follows that no amount of logical criticism, no matter how valid, can refute it. Although the Court may use argument to come to its conclusion, once the conclusion is reached, the Court speaks *ex cathedra*. But such a method of deciding cases could never be acceptable to those who believe a decision is wrong-headed.

The Second Amendment, because of the way in which it is written, is ambiguous at best. Any decision concerning it must, therefore, be based on an interpretation. And if that's true, then the doctrine of strict construction makes no sense. Nobody can base an argument strictly on the text of a document if the text itself requires an interpretation.

Attempts to overcome this difficulty involve trying to determine the framer's intent. But how does one go about determining the intentions of people who lived more than two centuries ago?

Well, perhaps they stated their intentions in other writings. But what if they haven't? What can a so-called strict constructionist turn to then?

One can look at possible purposes. What could the purpose of the second amendment be?

1. To provide people with the absolute right to keep and bear arms.

2. To ensure that the nation always has a means of defending itself from invasion by ensuring that state militias not be abolished.

How does one decide from among these, and can such a decision be made by means of strict construction?

In today's world, the second purpose is completely unnecessary, since this nation now has a standing army, distinct from state control. So if the amendment makes any sense in today's world, the only possible purpose it can have is the first. But what if that conflicts with the interests of society as a whole?

Society's purpose in proposing various gun-control measures is to protect people from death and injury by means of firearms. So we have to ask which purpose is most desirable? Of course, opinions will differ. So where does that leave the doctrine of strict construction and the NRA's argument?

There are only a small number of conclusions that can be drawn. If the NRA's reading of the Constitution and the Court's decisions is accepted, the right to keep and bear arms supersedes the public's right to protection. The NRA's argument for this reading is that the laws already in effect are sufficient to protect the public.

But that can't be right, because law enforcement comes into play only after the offense has been committed, and the public's interest is to prevent the offense, not punish the perpetrator. Existing law cannot prevent these offenses from being committed, so existing law cannot satisfy this public interest.

If we Americans accept the second amendment as conferring an absolute right upon individuals to keep and bear arms, then we must also accept the consequent death and injury that will result. But if we accept the notion that human life is more precious than an individual's right to keep and bear arms, then the second amendment must be interpreted as applying to militias and not

individuals. The controversy comes down to deciding between these alternatives.

## THE SUPREME COURT, THE CONSTITUTION AND THE FIRST AMENDMENT

The Supreme Court's First Amendment opinions result not from interpreting the First Amendment but from deliberately and insidiously changing its diction in ways that make the Amendment unrecognizable. The Court's arguments in these opinions are pure cant and do nothing but turn the Justices' personal opinions into law. This practice has enabled the Court to act as an oligarchy that has usurped the Constitution and ruled the nation without ever have been elected or given the authority to do so.

Reading the First Amendment makes one wonder how the Supreme Court could have turned its clear and unambiguous words into a mishmash of ambiguity.

"Congress shall make no law . . . abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances."

The writers of the Constitution did not use the words "expression," "association," "affiliation," or "common political goals." What they did do was name different kinds of things using ordinary diction—speech, press, assemble, petition, and grievance. In ordinary parlance, speech means talk and in the Eighteenth century, press meant print. The press as we know it today did not then exist. Assemble means to get together in the same place, petition means a written request, and a grievance is a perceived injustice. How much plainer could the framers have written this amendment?

Yet, in *Buckley Et Al. v. Valeo*, the Court writes:

“(b) The First Amendment requires the invalidation of the Act’s independent expenditure ceiling, its limitation on a candidate’s expenditures from his own personal funds, and its ceilings on overall campaign expenditures, since those provisions place substantial and direct restrictions on the ability of candidates, citizens, and associations to engage in protected political expression, restrictions that the First Amendment cannot tolerate.”

In support of this interpretation, the Court cites *Mills v. Alabama*; yet that decision clearly dealt only with printed matters. “The Constitution specifically selected the press, which includes not only newspapers, books, and magazines, but also humble leaflets and circulars, see *Lovell v. Griffin*.” The other decisions cited in the section on General Principles all also relate solely to printed matters. So how do speech and press come to mean expression, a far more generic term, and how did the court use this embellishment to make unlimited campaign expenditures a First Amendment right?

The court writes, “The Act’s contribution and expenditure limitations also impinge on protected associational freedoms. Making a contribution, like joining a political party, serves to affiliate a person with a candidate. In addition, it enables like-minded persons to pool their resources in furtherance of common political goals. The Act’s contribution ceilings thus limit one important means of associating with a candidate or committee, but leave the contributor free to become a member of any political association and to assist personally in the association’s efforts on behalf of candidates. And the Act’s contribution limitations



permit associations and candidates to aggregate large sums of money to promote effective advocacy. By contrast, the Act's \$1,000 limitation on independent expenditures "relative to a clearly identified candidate" precludes most associations from effectively amplifying the voice of their adherents, the original basis for the recognition of First Amendment protection of the freedom of association. See *NAACP v. Alabama*. The Act's constraints on the ability of independent associations and candidate campaign organizations to expend resources on political expression "is simultaneously an interference with the freedom of [their] adherents," *Sweezy v. New Hampshire* (plurality opinion).

Notice how the diction has changed. "Assemble" has become associate and affiliate. "Grievance" has become political goals. So this decision is not based on the text of the Constitution; rather it results from replacing that text. To the Supreme Court, the Constitution reads something like this:

Congress shall make no law . . . abridging the freedom of political expression, or of the press; or the right of the people peaceably to associate and affiliate with candidates, and to petition the Government for the furtherance of political goals.

This paragraph is pure poppycock when compared to the Constitution's clear and unambiguous diction.

*Sweezy v. New Hampshire* makes identical substitutions: "Equally manifest as a fundamental principle of a democratic society is political freedom of the individual. Our form of government is built on the premise that every citizen shall have the right to engage in political expression and association. This

right was enshrined in the First Amendment of the Bill of Rights. Exercise of these basic freedoms in America has traditionally been through the media of political associations. Any interference with the freedom of a party is simultaneously an interference with the freedom of its adherents.”

The mistaken result then goes something like this: A person expresses his preferences by the way in which he spends his money. Freedom of expression is guaranteed by the First Amendment. So to limit a person’s expenditures on a political campaign infringes his First Amendment rights. More simply put, freedom of speech (read talk) is guaranteed by the First Amendment. Money talks; therefore spending money is speech protected by the First Amendment. But the First Amendment doesn’t guarantee anyone’s freedom to spend money.

Some would claim that political expression is a form of speech. But it isn’t. The bombing of the Alfred P. Murrah Federal Building in Oklahoma City was a political expression but it was not speech and no court would have released the bomber because arresting him violated his First Amendment rights. Throwing a shoe at a President would be an act of political expression, but it is not speech and no court would excuse it. In fact, the Court has turned the concept of free speech into bought speech which the constitution never mentions. Likewise, the American Automobile Association never assembles, and those who attended the Super Bowl in Arlington Texas assembled there but did not associate. Allowing the bankers who brought down the economy to receive their bonuses while requiring automobile workers to relinquish their pensions which the automobile companies were contractually obliged to provide is a perceived injustice, not a

political goal, and campaigning on a platform advocating smaller government is a political goal but not a grievance.

The court, while claiming to be involved in a process of interpretation is in fact involved in a process of rewriting by replacement. But there is no logical relationship between interpretation and replacement. The sentence, “he claimed that Iraq has weapons of mass destruction” cannot be interpreted to mean, “he claimed that Iran has weapons of mass destruction.” Yet that’s the kind of thing the Supreme Court does all the time.

Sure metaphorically, money can be said to talk. So can many other things, as for instance, scant or revealing attire, expectorating in the face of an official, turning your back on a judge in a courtroom, refusing to pay taxes on the grounds that they support unjust governmental activity, and more.

Isn’t it strange that spending money on political campaigns in ways that at least foster the appearance of governmental corruption is ruled to be protected speech, but that more honest ways of speaking metaphorically or symbolically, that is, expressing ourselves metaphorically, are not? How can anyone justify these substitutions? Is it merely incidental that the Justices have described American political campaigns as “a marketplace of ideas”? A marketplace it certainly has become but no ideas are ever marketed there.

The argument presented in any judicial decision is almost impossible to ferret out because of citations to previous cases. A decision includes a quotation from a previous case and appends its citation. When one goes to the cited case, one finds the same practice, and the chain of previous cases is lengthy and following

it is cumbersome. At times a reader gets the feeling that the citations are circular; the beginning of the chain can't be found. And if any court in the chain commits an error of equivocation or amphiboly or a fallacy, as in the cases cited above, it is perpetuated throughout all the other cases that cite it. So the exact reasoning is obfuscated, and bad decisions are the result. The judicial system does not use a rational process while issuing opinions; in fact, it uses a long discarded system known as arguing from authority which was used by medieval Church Fathers in arguing matters of faith. And, in reality, judicial opinions are merely matters of faith, mere beliefs that the justices have an overzealous faith in.

The Supreme Court's First Amendment opinions result not from interpreting the First Amendment but from deliberately and insidiously changing its diction in ways that make the Amendment unrecognizable. The Court's arguments in these opinions are pure cant and do nothing but turn the Justices' personal opinions into law. This practice has enabled the Court to act as an oligarchy that has usurped the Constitution and ruled the nation without ever have been elected or given the authority to do so. And what is most distressing about all of this is that the American legal community lacks a voice in opposition.

A recent study of several thousand undergraduates through four years of college found that "large numbers didn't learn . . . critical thinking, complex reasoning and written communication skills. . . . Many . . . graduated without knowing how to sift fact from opinion, make a clear written argument or objectively review conflicting reports of a situation or event. The students . . . couldn't determine the cause of an increase in neighborhood crime or how best to respond without being swayed by emotional

testimony and political spin.” Forty-five percent of students made no significant improvement in their critical thinking, reasoning or writing skills during the first two years of college, and after four years, 36 percent showed no significant gains. The only thing surprising about this study is that people were surprised by its results. How many members of Congress, most with at least one earned college degree, have demonstrated these abilities, especially the ability to keep from being swayed by emotional testimony and political spin.?

But what is most bothersome is America’s legal community, including its academics. What keeps the legal community from vociferously refuting and mocking the logically absurd opinions of the nefarious nine? Is it cowardice within the legal community or a demonstration that lawyers are merely hired guns for the their clients without brains or values of their own? Do they, in fact, comprise the 36% of gradates who fail to learn these skills in college? The plethora of law reviews regularly published should be replete with analyses of the Court’s opinions, but they are not, which is why, perhaps, lawyers have for centuries had reputations as jackals (read Erasmus) and are even today the butt of unending deprecating jokes; yet our nation is, in fact, run by nine of them.

## THE SUPREME COURT'S "MAKE BELIEVE LAW"

*"The Law" is Nothing but an Amorphous Body of Assertions*

*"Laws are like sausages. It is better not to see them being made."  
– Otto von Bismarck (1815–1898)*

You know that piece of parchment called the Constitution? People are told that it created a government made up of three coequal but separate branches – the legislative, the executive, and the judicial. The legislature writes the laws, the executive enforces them, and the judiciary decides whether the law has been violated. But although true in unessential ways, this description, like a historical novel, is pure fiction.

The legislature (Congress) certainly writes and enacts laws, and sometimes (but not always) the executive enforces them. (The executive branch has unimpeded discretion.) And the judiciary does determine whether the law has been broken. Well, sort of!

Trial courts, the lowest level of the judicial system, do attempt to do that, but cases, when they leave the trial courts, enter a Disneyesque fantasy world where nothing is what it seems to be. It is a world in which the principal characters write their own scripts, and where the simplest English words are made to mean whatever the characters decide they want words to mean, even if the new meanings render the language entirely unintelligible to literate readers. Lewis Carroll, were he alive today, could use the judiciary for inspiration and write *Through the Opaque Looking-Glass*. Opinions, written by lawyers schooled in abstruse legalese, are nothing less than enigmas. Oh sure, we know what the decision is, but we never know exactly what the grounds for

making it are. The grounds are always hidden in a maze of precedents, often derived from cases so dissimilar that no reasonable person would ever have associated them. Alice in Wonderland logic prevails!

Two cases, decided in the same term by the same justices concerning almost identical laws, reveal this capriciousness in the American legal system—*Morehead v New York ex rel Tipaldo* and *West Coast Hotel Co v Parrish*. Both considered minimum wage laws for women, the first in New York, the second in Washington state. The first was declared to be unconstitutional, the second, constitutional. How could this possibly have happened? The answer lies in how American appellate courts work.

The Supreme Court decides cases in accordance with “The Law.” But “The Law” is not the law that legislatures enact; those laws are what are being adjudicated. So if you believe that the Congress enacts “The Law,” you are mistaken. “The Law” has nothing to do with the laws Congress enacts.

So what is “The Law”? Where does it come from? Well, “The Law” is what the members of the Supreme Court say it is. Where does it come from? They make it up.

Supreme Court decisions are made on the basis of what jurists call “controlling rules.” In the two cases cited above, the cases were decided differently because the jurists making up the majority in each case used different “controlling rules.” Why? Merely because the rules selected justified their own beliefs about what “The Law” is. “I know of no rule or practice by which the arguments advanced in support of an application for certiorari

restrict our choice between conflicting precedents [controlling rules] in deciding a question of constitutional law” (Stone in *Morehead*).

“The Law” is nothing but an amorphous body of assertions made by jurists in previous cases to justify the decisions they favored. “[T]he majority (whether a bare majority or a majority of all but one of its members) . . . establishes the controlling rule. (*Southerland in West Coast Hotel Co.*)” These “controlling rules” are not found in the Constitution and have not been enacted by any legislature. They, like Athena who burst forth from the forehead of Zeus fully armed, burst forth from the heads of, yes, our jurists.

Consider a few of the most renowned “controlling rules.”

First, “It is emphatically the province and duty of the judicial department to say what the law is (*Marbury v Madison*).” Who says so? Why Chief Justice Marshall did in 1803. But the Constitution does not give the judiciary this power; the court merely assumed it. Furthermore, it is a devious rule. Anyone can read what the Constitution or any law says. But to the court, “The Law” may not be what the Constitution says, it is what the court says “it is”! (This “controlling rule” is also cited by Kennedy in *Citizens United*.)

Second, “Those who apply the rule to particular cases, must of necessity expound and interpret that rule. . . . This is of the very essence of judicial duty (*Marshall in Marbury*).” And “The judicial function is that of interpretation (*Southerland in West Coast Hotel Co.*)” Again, the Constitution never gives that power



to the court, and there is a vast difference between “reading” the Constitution and “interpreting” it.

For instance, ask ten successful popular singers to sing the same well-known song. Ten different versions will ensue, each a different “interpretation” of the original. Any student in a literature class studying poetry can tell what a poem says by reading it, but ask the students for an interpretation, and numerous different interpretations will follow. Which is right? None is! An interpretation is what the reader/singer reads into what the song or poem says. An interpretation is nothing more than the reader’s/singer’s personal view or opinion. The same is true of any jurist’s interpretation; it’s just his/her opinion. Interestingly enough, no one seems willing to ask why the nine jurists on the Court (usually lawyers) are more qualified to decide what the supreme law of the land is than the many lawyers elected to the Congress are. Of course, nothing makes the jurists more qualified; the jurists merely decided that they were going to do it. Sutherland in *West Coast Hotel Co v Parrish* writes, “Under our form of government, where the written Constitution, by its own terms, is the supreme law, some agency, of necessity, must have the power to say the final word as to the validity of a statute assailed as unconstitutional. The Constitution makes it clear that the power has been intrusted to this court when the question arises in a controversy within its jurisdiction [my emphasis]. . . ,” but Sutherland provides no citation and Article III, Section 2 (Original Jurisdiction) of the Constitution cannot be read to provide that power except by interpretation which makes the claim circular. (Jurists interpret the Constitution in a way that allows them to interpret the Constitution.)

Third, “First Amendment standards, however, ‘must give the benefit of any doubt to protecting rather than stifling speech.’ (opinion of Roberts in Citizens United citing Goldberg in New York Times Co v Sullivan who cites Douglas’ book The Right of the People). (How’s that for searching far and wide for “controlling rules”?) But who are these people to say so? Just jurists!

This last example is especially interesting. Five members of the court concurred in Citizens United: Kennedy, Roberts, Scalia, Alito, and Thomas. Kennedy cites these same five jurists 43 times in 24 pages. Thirty-eight of these citations are from previous majority opinions, but 5 are from dissenting opinions. So “controlling rules” need not even be selected from majority opinions; they can be selected from dissenting opinions and anywhere else the jurists choose to find them. Sometimes they are just made up.

Fourth, “First Amendment protection extends to corporations (Kennedy citing Powell in Bellotti along with a long list of additional citations).” Some claim that the Court extended these rights in Santa Clara County v Southern Pacific Railroad although the case did not take up the question. It has been reported, however, that before oral argument took place, Chief Justice Waite said that “The court does not wish to hear argument on the question whether the provision in the Fourteenth Amendment to the Constitution, which forbids a State to deny to any person within its jurisdiction the equal protection of the laws, applies to these corporations. We are all of the opinion [my emphasis] that it does.” Unfortunately, no hard evidence now exists to confirm that Waite made this statement, but even if he did, it is only the jurist’s opinion. As a result, a corporation is now a person

without a mother who experienced birthing pains, without a father, whose birth was not attended by an obstetrician or midwife, who doesn't breathe or eat or walk or reproduce or excrete but miraculously talks. Parrots have more attributes in common with people than corporations do; yet, corporations are persons while parrots are not. So where did this "controlling rule" come from? Straight from a jurist's head.

Of course, nothing required Kennedy to select this "controlling rule." He could have cited Rhenquist in *Bellotti*: "the liberty protected by that Amendment 'is the liberty of natural, not artificial, persons,' (citing Harlan in *Northwestern National Life Ins Co v Riggs*) or Marshall in *Trustees of Dartmouth College v Woodward*: "A corporation is an artificial being, invisible, intangible, and existing only in contemplation of law. Being the mere creature of law, it possesses only those properties which the charter of creation confers upon it, either expressly or as incidental to its very existence. These are such as are supposed best calculated to effect the object for which it was created." But Kennedy didn't. Why? Because he didn't want to.

If anyone still doubts that the Court engages in the mere imposition of the opinions of its members on "The Law," consider what Southerland writes in *West Coast Hotel Co v Parrish*:

"It has been pointed out . . . that th[e] judicial duty is one of gravity and delicacy, and that rational doubts must be resolved in favor of the constitutionality of the statute. But whose doubts, and by whom resolved? Undoubtedly it is the duty of a member of the court, in the process of reaching a right conclusion, to give due weight to the opposing views of his associates; but, in the end, the question which he must answer is not whether such

views seem sound to those who entertain them, but whether they convince him that the statute is constitutional or engender in his mind a rational doubt upon that issue. The oath which he takes as a judge is not a composite oath, but an individual one. And, in passing upon the validity of a statute, he discharges a duty imposed upon him, which cannot be consummated justly by an automatic acceptance of the views of others which have neither convinced, nor created a reasonable doubt in, his mind. If upon a question so important he thus surrender his deliberate judgment, he stands forsworn. He cannot subordinate his convictions to that extent and keep faith with his oath or retain his judicial and moral independence. . . . The check upon the judge is that imposed by his oath of office, by the Constitution, and by his own conscientious and informed convictions, and since he has the duty to make up his own mind and adjudge accordingly [all emphases mine].

In plain English, Southerland says a jurist must vote his own convictions even if s/he cannot convince his/her colleagues s/he is right. The procedure followed by the Court is nothing but sheer sophistry. A majority of its members decides what it wants "The Law" to be and then selects the "controlling rule" that validates the decision. The majority "cherry picks" the "controlling rules." It is an entirely subjective process utilized by both conservative and liberal jurists. The result is that the Court's decisions command no respect from either the conservative or liberal segments of the population, and instead of settling issues, they are merely exacerbated and prolonged.

Charles Evans Hughes, who served on the Court from 1921 to 1941, revealed the insidiousness of what the Court does in a frank speech before the Chamber of Commerce in Elmira, NY: "We are

under a Constitution, but the Constitution is what the judges say it is [emphasis mine]. . . ." So when a jurist is given a seat on the Court and takes the oath of office and swears to "faithfully and impartially discharge and perform all the duties incumbent upon [him/her] . . . under the Constitution," s/he is merely swearing to conform to a Constitution which is entirely of his/her own making. That piece of parchment called the Constitution on display at the Smithsonian might just as well be blank.

The Court, by adopting a procedure used in seventeenth century England known as *stare decisis* (let the decision stand) has given America a legal system designed to protect the seventeenth century status quo and enhance the wealth of an aristocracy at the expense of the people. The result is that the nation founded by the ratification of the Constitution in 1789 is not the nation Americans live in. The Court has ignored entirely the fact that the Constitution nowhere enshrines any specific economic system or instructs the government to protect private property. In fact, the only two references to private property in the Constitution have to do with how people are to be deprived of it.

Citizens United has been criticized for putting elections up for sale. The Court's majority in Citizens United would, of course, deny it, but it is noteworthy that Kennedy, in his opinion, uses the word "marketplace" eight times, even citing previous decisions in which the word is used. But isn't a marketplace where things are bought and sold?

Everything known as case law in America is nothing but the judicial codification of jurists' personal opinions justified by specious "controlling rules." It adversely affects the lives of ordinary people far more than all of the enacted federal code.

Thanks to the Court, America is a replica of seventeenth century England, where an aristocracy using a predatory economic system prospers while the people languish, where rights guaranteed to the people are transferred to corporations, and elections are bought and sold. The Court has never concerned itself with the establishment of justice, the insurance of domestic tranquility, the promotion of the general welfare, or the insurance of the integrity of the democratic process as the Constitution requires. The people have been betrayed!

Because of the enigmatic nature of the Court's decisions and the abstruse nature of legalese, what the Court has done has been done virtually in secret. To expect ordinary people, even those well educated, to do the research and analysis necessary to reveal the reality behind the Court's actions is unrealistic. Yet the people need to know. This usurping cabal needs to be exposed.

## THE US SUPREME COURT AND “THE RULE OF FLAW”

*America’s ultimate proponent of tyranny*

“The Supreme Court’s only armor is the cloak of public trust; its sole ammunition, the collective hopes of our society.” –Irving R. Kaufman

The Supreme Court of the United States is an institution that has failed in every possible way. It is notorious for having issued iniquitous opinions; it has not only failed to resolve but has exacerbated conflicts; and it has consistently negated the ideals the founding fathers wrote into the Preamble of the Constitution. The ultimate consequence is that any American is deluded who believes that America can be changed substantively by using the electoral process.

Identifying failed institutions is not difficult; changing them is. The Supreme Court of the United States, often referred by the acronym SCOTUS in a veiled attempt to personify it, is an institution that has failed in every possible way. It is notorious for having issued iniquitous opinions; it has not only failed to resolve but has exacerbated conflicts; and it has consistently negated the ideals the founding fathers wrote into the Preamble of the Constitution. SCOTUS, as far back as 1803, usurped the Constitution and converted the incipient enlightenment nation into an endarkened reactionary one.

Some, of course, will disagree, who believe that SCOTUS is not a failed institution, but the American people are slowly but surely coming to the conclusion that it is:

“Just 44 percent of Americans approve of the job the Supreme Court is doing and three-quarters say the justices’ decisions are sometimes influenced by their personal or political views, according to a poll conducted by The New York Times and CBS News.

Those findings are a fresh indication that the Court’s standing with the public has slipped significantly in the past quarter-century, according to surveys conducted by several polling organizations. Approval was as high as 66 percent in the late 1980s, and by 2000 approached 50 percent.”

Although a 56% disapproval rating is nowhere near the disapproval rating of the Congress (83%), it is a substantial majority which, I suspect, results from the many issues that have come before the Court that have been exacerbated rather than resolved by the Court’s actions. When a large number of people reject a decision of the Court, the legal dispute changes into a social problem that divides the nation and provokes conflict – exactly the opposite of what a legal system should do. The Court, in fact, makes such issues irresolvable. SCOTUS has the last word; there is no other forum the people can turn to, and they lose their respect for the law and its authority. Not even force is a viable alternative, and overt opposition can easily be interpreted as criminal behavior. No nation with such an institution can ever “establish Justice” or “insure domestic Tranquility.” Simply impossible! The only possible consequence is, ultimately, a police state.

Some members of the Court over time have said the same thing: Charles Evans Hughes, in a lecture, claimed “a great chief justice must be able to project an institutional image of non-partisanship.



Otherwise, the court will be perceived as just another political branch of the federal government and, as a consequence, lose both its prestige and power,” and John Marshall writes, in *McCulloch v Maryland*, that issues “must be decided peacefully, or remain a source of hostile legislation, perhaps, of hostility of a still more serious nature. . . .” The Court has ignored both of these pieces of advice. It especially ignored this advice when it intervened in the presidential election of 2000. Of course, it is impossible to say why the Court acted the way it did when it involved itself in the election, but the Court should have known that whatever it did would demolish any respect it had with at least half the electorate. Some, like George Will claim, “the passions that swirled around *Bush v Gore* . . . dissipated quickly. And remarkably little damage was done by the institutional collisions that resulted,” and Justice Scalia has simply said, “get over it!” But Will is simply wrong and getting over it is not easy. Most of the problems today’s America faces were caused by the Court’s intervention in *Bush v Gore*. The damage it has done to both the Court’s reputation and the nation is enormous and might never be repairable.

But the Court is infamous for its horrid decisions. Numerous lists of them exist. Every group has its own, showing just how widespread the problem has become. Liberals have theirs, so do conservatives, so do libertarians. Newspapers and magazines have published lists; books about bad decisions have been written. Some bad decisions have been overturned, yet they continue to be issued. Nothing ever changes which makes the way the Court acts suspicious. It appears that the Court really settles no issues. What is really going on?

When SCOTUS agrees to review a case, a fixed process takes place: The Court accepts written briefs from the participants and listens to oral arguments (usually limited to 30 minutes). During these arguments, the justices can ask questions. Some time after the oral arguments are held, the Court assembles, each member presents his/her view, and a vote is taken. This vote decides the issue. For all practical purposes, the Court at this point is done. Nothing after this vote really matters; all of it is show and has no legal function.

Nevertheless, the process does continue. A justice from the group that comprises the majority is assigned the task of drafting the opinion, and this justice then invariably assigns the task to a clerk. The clerk then searches past decisions of the Court for things other justices have said that can be used to support the majority's view. These "sayings" are often referred to as "controlling rules," and the search for them can be likened to dragging the gutter for pearl-laden oysters.

This process is justified by a doctrine referred to as *stare decisis* which in English means "let the decision stand." The reasoning behind it is simple: The legal system needs to be consistent. Decisions in cases should not contradict each other, when a decision is being made, past decisions have to be looked at to make sure no inconsistency results. The consistency, obviously, is sought in controlling rules. But the process breaks down and insures nothing. The fact that some decisions have been overturned by finding a different controlling rule proves it decisively. The choice of controlling rules is entirely subjective. In the end, the task comes down to finding one the opinion's writer likes. No more, no less. Opinions are not based on any law; in fact, the entire process is a gigantic flaw.

Controlling rules are like fish – very slippery. And the places they can be searched for is not limited to earlier decisions. Jurists have found controlling rules in books, legal reviews, legal commentaries, Blackstone, in English Common Law, and even elsewhere. In *Laidlaw v Organ*, which considered whether a vendor is obliged not to conceal any of the defects of an article, numerous authorities are cited in the search for a controlling rule: Pothier, Florentinus, Cicero, Diogenes, and Antipater. Among these authorities, two controlling rules were presented: That a vendor can conceal defects, and that a vendor is obliged not to conceal defects. How does one choose between these? Well, s/he picks the one that best suits her/his purpose. Which did the opinion's writer choose? Why, of course, the former. Why? "The interest of commerce not permitting parties to set aside their contracts with too much facility, they must impute it to their own fault in not having better informed themselves of the defects in the commodities they have purchased," and the province of ethics and law are not co-extensive. Although the majority of authorities reviewed – Pothier, Florentinus, Cicero, and Diogenes – thought otherwise, the controlling rule was selected from Antipater because it suited the aims of SCOTUS better. Antipater? How's that for scraping the bottom of the barrel for a controlling rule? Not only is the doctrine of controlling rules completely subjective, historically SCOTUS has always used it to promote commerce over ethics. Veniality suppresses morality. If you want to see just how viscious SCOTUS is, read Top 10 worst Supreme Court decisions.

What is called *stare decisis* in American jurisprudence has for centuries been called the method of authority by Scholastic philosophers and was discarded by non-clerical scholars well before the eighteenth century. It is obviously a faulty method

when used for intellectual pursuits. Unless the authority is known to be right, the method propagates error, but SCOTUS doesn't care. John Marshall had set the tone for the Court in 1803 in *Marbury v Madison*. First of all, although he found that Marbury was entitled to the commission sought, Marshall refused to order that it be delivered, thus setting the precedent for the Court's practice of issuing unjust rulings. This ruling made it obvious that establishing justice was not the Court's job even though the Constitution says that it is one goal the nation was established to attain. Second, Marshall writes that "It is emphatically the province and duty of the judicial department to say what the law is" Although apparently never questioned by anyone but Jefferson who writes that because of this ruling the Constitution is "a thing of wax in the hands of the judiciary, which they may twist and shape into any form they please," this claim commits the fallacy of amphiboly. "What the law is" is ambiguous. It can mean either what the law says or what what it says means.

Charles Evans Hughes writes, "We are under a Constitution, but the Constitution is what the judges say it is, and the judiciary is the safeguard of our property and our liberty under the Constitution." What Hughes fails to see is that although the judiciary should be "the safeguard of our property and our liberty" it can just as easily be their repressor. And that's exactly what SCOTUS has become.

Why would anyone in a nation with a legislature claim that is it the judiciary's duty "to say what the law is"? If the meaning of a law cannot be determined from its diction, the law can be invalidated because of its imprecision. If necessary, the legislature can then redraft the law. What laws and even the Constitution say is apparent; what they mean may not be. But why should a nine

member body assume that responsibility and why should its “interpretation” be the last word? Why is it impossible for some other body, say linguists, for instance, to say, “No, you’re wrong.” Marshall, by making the claim he did, made the Court into an absolute oligarchy. That apparently was his purpose. No one, not the people, legislators, governors, presidents, priests, or popes can undo the Court’s opinions. James Madison envisioned the judicial branch of our government as “an impenetrable bulwark against every assumption of power in the legislative or executive.” Unfortunately the Court itself penetrated that bulwark easily enough.

The ultimate consequence is that any American is deluded who believes that America can be changed substantively by using the electoral process. The Court completely controls the American government, including the electoral process. The Court in *Citizens United v Federal Election Commission* has made corrupting the Federal Government into a Constitutional right held by the affluent. Having suborned the Constitution by making itself the last word’s speaker on any Constitutional issue the Court leaves absolutely no opportunity available for the people to effect any change of the government by electing different presidents or representatives. Nothing will ever be substantially different in the United States of America until checks of some kind are placed on the Court’s absolute authority. The Court has taken Baron Acton’s maxim, power corrupts and absolute power corrupts absolutely, to heart and has been totally corrupted. Justices legislate from the bench by writing into the law their beliefs and biases.

Yet the Court’s history does have some lessons the judiciary should take to heart. It is obvious to any objective observer that

America is in decline. In spite of its military and economic power, America is falling behind because of the political biases the Court has legalized. Still SCOTUS seeks to cement these biases into jurisprudence. If America collapses, and it seems increasingly likely that it will, what will ensue? Well, consider this:

Roger Brooke Taney, the fifth Chief Justice, had, it is said, a determination to be a great Chief Justice. He is now remembered only for having delivered the majority opinion in *Dred Scott v Sandford* that ruled that African Americans, having been considered inferior at the time the Constitution was drafted, were not part of the original community of citizens and could not be considered citizens of the United States. This decision was an indirect cause of the Civil War. Taney also held that Congress had no authority to restrict the spread of slavery into federal territories, and that such previous attempts to restrict slavery's spread were unconstitutional.

Just as many of today's Court's decisions are, the *Dred Scott* decision was widely condemned at the time as an illegitimate use of judicial power. Taney had hoped that a Supreme Court decision declaring federal restrictions on slavery in the territories unconstitutional would put the issue beyond the realm of political debate. What it did, instead, as so many other decisions have, was exacerbate it.

Taney spent his final years despised by both North and South. His decision destroyed the culture of the South, the South physically, and the lives of its male youth. It also cost Taney his Maryland estates: Taney died during the final months of the war on the same day that Maryland abolished slavery. This decision

and its aftermath proves that a decision of the Court can destroy a nation.

Taney was punished by abolitionists in the Senate after his death. When the House of Representatives passed a bill to appropriate funds for a bust of Taney to be displayed in the Supreme Court, the Senate rejected it. Senator Charles Sumner said, "If a man has done evil in his life, he must not be complimented in marble" and proposed that a vacant spot, not a bust of Taney, be left in the courtroom "to speak in warning to all who would betray liberty!" He claimed, "I speak what cannot be denied when I declare that the opinion of the Chief Justice in the case of Dred Scott was more thoroughly abominable than anything of the kind in the history of courts. Judicial baseness reached its lowest point on that occasion." Well, perhaps Sumner was wrong. Judicial baseness may not yet have reached its lowest point. If the Court's ideological decisions ultimately lead to the collapse of America, the Court will go down in history as the basest of institutions.

In more than two hundred years, the Court's membership has not displayed any high degree of sagacity. People of strong political and cultural biases who lack open minds are not intelligent. A person who lacks the ability to question his own beliefs is a bigot. That's what jurists who legislate their own beliefs into law are. Americans someday may treat them all just as Chief Justice Taney was treated – as nobodies remembered only for their bigotry.

## VIOLENCE: THE AMERICAN WAY OF LIFE

The United States of America was conceived and nurtured by violence.

Americans not only engage in violence, they are entertained by it.

Killing takes place in America at an average of 87 times each day. Going to war in Afghanistan is less dangerous than living in Chicago.

The Romans went to the Coliseum to watch people being killed. In major cities, Americans just look out their windows. Baseball, once America's national game, a benign, soporific sport, has been replaced by football which is so violent it destroys the brains of those who play it. Violent films, euphemized as action flicks, dominate our motion picture theatres and television sets. Our children play killing video games.

So do you really believe that gun control will miraculously make America into a tranquil nation? Do you really believe that outlawing products and practices will make Americans peace loving? A culture cannot be changed by laws, change requires a sustained effort over several generations. Are Americans up to the task?

Carry Amelia Moore Nation was born on November 25, 1846. She became a radical member of the temperance movement which opposed the consumption of alcohol. She described herself as "a bulldog running along at the feet of Jesus, barking at what He doesn't like," and claimed a divine ordination to promote temperance by destroying bars. She began her temperance work



in Medicine Lodge, Kansas by starting a local branch of the Woman's Christian Temperance Union and campaigning for the enforcement of Kansas' ban on the sales of liquor. She became infamous by vandalizing taverns. Often accompanied by hymn-singing women and musicians, she would march into a bar and sing and pray while smashing bar fixtures and stock with a hatchet. Between 1900 and 1910 she was arrested around 30 times for "hatchetations," as she called them. She died on June 9, 1911 and was buried in an unmarked grave in Belton, Missouri. The Woman's Christian Temperance Union later erected a stone inscribed "Faithful to the Cause of Prohibition, She Hath Done What She Could." Had she lived just eight years longer, she would have seen prohibition become the law of the land.

But, of course, it didn't last. Prohibition was repealed on December 5, 1933. It lasted a mere 14 years. It had absolutely no beneficial effects on society. In fact, it helped establish organized crime in America.

Yet Americans do not give up easily. In this anti-intellectual society where people are told more scientists are needed, unscientific practices prevail. What is shown not to work is repeated over and over again. So in 1971, the Nixon administration declared war on drugs. Now, almost 50 years later, the walls of the trenches are beginning to collapse. This long effort at prohibition too has just not worked, and it too has had absolutely no beneficial effects on society. In fact, it has resulted in the deaths of thousands in America and abroad, has ruined countless lives of young people, and squandered vast amounts of money. Just as Prohibition did, it has fostered the creation of international criminal cartels. What people with a scientific bent would have abandoned as ineffective, Americans have put into

practice with greater and greater vigor. One would think that someone would recognize the folly. But no, the crowd is again clamoring. Now it's about guns.

Don't misread this piece. I own no guns; I can think of no reason why people living in a civilized state should need guns. Guns have one purpose and one purpose alone—to kill! People in a civilized state should have no need or reason to do that. If guns are needed for self-protection, the state has failed in its primary function of insuring domestic tranquility. (Read your Constitution!) A nation that cannot provide even that has thoroughly failed. And the fact that there are those in America who insist on owning guns says more about them and the nation's failure than it says about guns.

But another attempt at prohibition is nothing but an emotional attempt to do something even if it is something that won't have any significant effect on the level of violence in America. Some have referred to gun control laws as "feel good" acts. Perhaps, but feel good acts are better than feel bad acts, and I know of no good reason to oppose gun control. What I object to is the Pollyanna belief that gun control will significantly reduce violence in American society. Guns are not the cause of this violence; the violent nature of American society is the cause of the American love affair with guns.

The United States of America was conceived and nurtured by violence. The Europeans who colonized America were neither tolerant or enlightened; they were the dregs of society, and they even despised each other. The totally impure Puritans of Massachusetts despised the Quakers of Pennsylvania and the Catholics of Maryland. In the Pequot War, English colonists

commanded by John Mason, launched a night attack on a large Pequot village on the Mystic River and burned the inhabitants in their homes and killed all survivors. By conservative estimates, the population of the United States prior to European colonization was greater than 12 million. Four centuries later, the count has been reduced to 237,000. Four centuries of continuous violence against native Americans, and the violence persists.

Abraham Lincoln, enshrined as the great emancipator, freed the slaves by inciting a war that killed somewhere around 750,000 Americans. Emancipation came to the slaves by previously unheard of violence. In contrast and at about the same time in history, the autocratic Tsar Alexander II of Russia emancipated more than 23 million serfs without killing a single person. Oh, those horrid Russian Tsars!

After the Civil War, Americans pushed the frontiers of America all the way to the Pacific Ocean. They did it with the gun. The Winchester Model 1873 repeating rifle and Colt Peacemaker revolver of 1873 are colloquially known as “The Guns that Won the West” for their predominant roles in the hands of Western settlers. Americans shot their way from the Mississippi to the Pacific.

American foreign policy for decades has consisted primarily of military misadventures—foreign policy through the barrel of a gun! Today, the gun has become the drone and the bullet, the hellfire missile. General Smedley Butler (1881-1940), one of only two Americans to win the Medal of Honor on two separate occasions, wrote:

“I spent most of my time being a high-class muscle-man for Big Business, for Wall Street and for the Bankers. In short, I was a racketeer, a gangster for capitalism. . . . I helped make Mexico, especially Tampico, safe for American oil interests in 1914. I helped make Haiti and Cuba a decent place for the National City Bank boys to collect revenues in. I helped in the raping of half a dozen Central American republics for the benefits of Wall Street. I helped purify Nicaragua for the international banking house of Brown Brothers in 1909-1912. I brought light to the Dominican Republic for American sugar interests in 1916. In China I helped to see to it that Standard Oil went its way unmolested.” Now, of course, we’re using the gun to make the Middle East and Southeast Asia “safe for democracy.”

But the attempt isn’t faring very well.

Violence pervades this culture. Americans not only engage in violence, they are entertained by it. Killing takes place in America more often than the Sun rises, currently at an average of 87 times each day. Going to war in Afghanistan is less dangerous than living in Chicago. The Romans went to the Coliseum to watch people being killed. In major cities, Americans just look out their windows. Baseball, once America’s national game, a benign, soporific sport, has been replaced by football which is so violent it destroys the brains of those who play it. Violent films, euphemized as action flicks, dominate our motion picture theatres and television sets. Our children play killing video games.

So do you really believe that gun control will miraculously make America into a tranquil nation? Do you really believe that outlawing products and practices will make Americans peace

loving? A culture cannot be changed by laws; the only function of law is to justify vengeance. No law in all of recorded history has been enacted that eliminated the practices it was meant to reduce. The oldest profession has been outlawed since the dawn of recorded history. It still is carried on. The truth of the matter is that a society based on law is a lawless society.

American society is violent not because of guns but because of the attitudes of Americans. When Europeans first came to the Americas, they thought that they had discovered a new world. Instead they found a land already inhabited by people with their own ways of life. Christian intolerance required the use of violence. Just as the Romans took the parts of Europe they wanted, these Europeans took the Americas. Violence was in their souls. Current day Americans have inherited it.

Wayne LaPierre, a National Rifle Association spokesman, has said, "The only thing that stops a bad guy with a gun is a good guy with a gun." Someone should tell him that many consider him to be a bad guy with a gun.

So sure, enact legislation to control the proliferation of guns, but don't get sanguine about it. Such legislation may help, but don't count on it. Unless you can change the American character, our violent nature will endure until we exterminate ourselves. Live by the. . . . Oh, you know how that goes. Cultures are extremely difficult to change; changing them requires a sustained effort over several generations. I doubt that Americans are up to the task.

## VOTING IN IGNORANCE

The Dallas Morning News, this morning, ran an article of yours, which I am certain will make a lot of heads nod in approval, about Congressmen getting paid when not working. But I don't think you've spent enough time thinking about this practice.

A far more insidious one is Congressmen voting on bills they haven't read--quite common, from what I understand.

So I don't know about you, but I would rather see them absent than voting in ignorance. We might all be better off if we paid them all to stay away from Washington.

## WHAT SHOULD BE DONE WITH ILLEGAL IMMIGRANTS?

That this question is even being asked reveals something about ourselves. How would you answer it if you were an illegal immigrant? Perhaps you've never heard of the Golden Rule. The rule may not be the best guide to moral behavior but asking yourself how you'd answer the question if you were an illegal immigrant forces you to put yourself in her/his place, for only when you put yourself in someone else's place can you know what she/he feels like. Knowing that is called empathy.

Illegal immigrants are, after all, people, human beings, just like you and me, and they should be treated as such.

Governments that have immigration problems cause the problems themselves. A nation that does not want illegal immigrants need only control its borders. If a government chooses not to control its borders, it creates an obligation to treat the people who cross them humanely. Of course, that's difficult to do by governments that don't even treat all of their own citizens humanely. But what governments do and what they should do are two different things.

In today's world, it is often difficult to determine why governments exist. The Constitution says that our government exists "to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity"

Has our government done that? Well, it should, and anyone in a country, whether legal or not, should be treated just like everyone else. So yes, the bill of rights applies to illegal immigrants, too? The Constitution never distinguished between legal and illegal residents. It only mentions people.

Why do people study if not to benefit mankind? It has been said that, "The proper study of Mankind is Man." Why? To improve mankind's condition, and mistreating people doesn't do that.



## WHY THE CURRENT PROPOSALS FOR IMMIGRATION REFORM WON'T WORK

Sometime unattended situations can get so messy that there is no painless way to extract oneself from them; sometimes it is impossible. The current situation with illegal immigration is one such mess.

First, because of the Federal Government's neglect and mistakes over the past several decades, there are now an uncountable number of illegal immigrants in this country. Not only do we not know how many there are, we don't know who they are nor where they are. Rounding them up for deportation is an impossible task. If we want them to return to their homelands before applying for visas, a way must be found to make them want to return. That won't be easy.

Second, although it may be possible for the illegal immigrants from Latin America to return to their homelands before applying for readmission, it is not possible for the vast number of Asians who have illegally found their way to our shores. Getting them to return to their homelands may very well be impossible.

Third, even if a guest worker program is enacted, there is no reason to believe that those who do not get visas will not continue to enter the country illegally. The presumption is made that if we make employment of undocumented aliens difficult or impossible that the influx will cease. But this presumption is based upon the assumption that the people crossing the border illegally are in search of legal forms of employment. Since we don't know how many illegal aliens are here, we don't know how many came for legal jobs and how many came to engage in illegal activities.

Fourth, even if we make it illegal for employers to hire such persons, the task of policing all the employers in this nation would require massive expenditures in people and resources;

resources we are not likely to want to expend in this fashion. Furthermore, although policing large employers may be possible, policing those employers who pick up workers at assembly points at irregular times for merely one day's work would not. And then there are all the households who employ illegal aliens as domestics. To stop these forms of employment would require turning our nation into a police state.

Consequently, if we can't get those already here to leave and we also create a guest worker program, our problem with illegal immigration will only get worse, not better.

Certainly enforcing the laws against the employment of these aliens is a start even if all employers can't be effectively policed, but it will never be enough. Employers will cheat whenever they believe they can. So either this country must resort to draconian measures or give up the fight and allow the chips to fall wherever they may. And the only draconian measures I can conceive of are one, threaten employers with massive fines and do what some small communities are suggesting, viz., make it illegal to rent to illegal aliens or even house them. Even if those aliens cannot find legal jobs, they may still choose to stay here rather than return to their homelands, but if they cannot find housing, they will have little choice.

This is, of course, not a humane suggestion. Would Americans ever adopt it? Doubtful at best, which makes me believe that this mess has progressed far past our ability to extract ourselves from it. This may be a difficult conclusion for many Americans to accept, but I believe it's the reality.

The consequence, of course, is daunting. If the problem of immigration gets worse, it may provoke social unrest, discrimination of the worst kind, and even domestic violence. Because of the effects illegal immigration has had and is having on the economy (mainly depressed wages), social services, and

crime, the situation is not likely to be accepted benignly. It may even result in extreme changes to our political system. Our nation's leaders should all carefully read what Thomas Jefferson wrote in the Declaration of Independence, for this situation may very well be pushing people past their limits of tolerance.

# V. WAR & EMPIRE

### 300--THE MOVIE

Although I'm not much of a movie goer, my kids took me to see 300 this past weekend. I'm sorry to say that I was not pleasantly surprised.

Hollywood has never produced many movies of either artistic or literary merit. And over the past several years, the formula-writing has gotten so bad that one can almost always predict not only the outcome but even the next scene. And it's somewhat dumbfounding how Hollywood's screen writers can't find tension, suspense, and excitement in story lines that have stood the test of time without injecting absurd extraneous scenes into them. In the case of 300, the screen writers have taken a story of heroic self-sacrifice that has withstood 2500 years of time and turned it into a freakshow.

The prologue begins with a voice over claiming that the Spartans were the last hope for preserving Greece, reason, and justice. Well, they failed.

Armies are forever being sent to war for lofty ideals and in spite of winning or losing, the ideals perish. The Great War was The War to End All Wars. Somehow or other, winning it didn't accomplish that. And the Second World War was the War to Make the World Safe for Democracy. My, my, my! Look at just how safe democracy is today. But that young men are sent off to war to die for great lies is not news, so on to the movie.

I knew the afternoon was going to be a bummer when the young Leonidas is attacked by a lone wolf. Wolves are pack animals. Then comes the racism: the first two Persians Leonidas gets to speak to are black. Strange how all the blacks in the movie are on the Persian side, and everyone on the Greek side is lily white. Then there is the Persian armored corps--a rhinoceros and two

elephants. I waited with baited breath for the lions, tigers, and great apes, but alas, the great king, Xerxes, could only manage to muster one rhino and two elephants which were no match, of course, for the Spartan 300. Then there are the freaks, Ephialtes, the Greek traitor who leads the Persian army around the pass at Thermopylae, and the hideous Persian giant who wields a massive battle axe. The progeny of Ephialtes, I have no doubt, are all now American businessmen or politicians. The Persian giant, on the other hand, who tosses Spartans right and left, easily could have been felled by a well placed Spartan spear, but alas, in that scene not a single Spartan has a spear at hand even though it was the principal Spartan weapon. But miraculously, in the next scene, every one of the 300 has a spear. Then there is the aftermath of the Persian cavalry charge during which the Spartans dispatch both riders and horses at will. Although the battlefield is littered with Persian bodies, not a single horse cadaver is anywhere to be seen. Then there are the bloodless torsos. During the many battles, splatterings of blood are seen flying here and there, but when someone is beheaded, the heart pumps no blood from the severed aortas. So even the vaunted 300 were, in reality, also freaks, since their heads were attached to bloodless torsos. Then there is the allusions to lesbianism within the Persian harem but no mention of the notorious Spartan male affection for young boys. But the most egregious absurdity comes at the end. Leonidas, the Spartan King trained from childhood as a warrior, hurls his spear at a nearby Xerxes and misses.

So much for the Hollywood nonsense. What lesson does this movie teach. Does it extol the bravery and self-sacrifice of the 300? Think about it. The 300 march off to defend Greece and fail. They die in vain. Why? Because of the superior Persians? No. Because of the freaks and Persian armor? No. Then why? Because Spartans are also traitors and their Greek allies are cowards. What

an uplifting lesson to teach. Soldiers of the world take note. In spite of your bravery and willing self-sacrifice, you die for naught; you will be undone by traitors, cowards, and politicians.

Some claim that 300 is a neo-con attempt to pump up support for our draft dodging president's and vice president's wars in Afghanistan and Iraq. Be brave and strong, stay the course, emulate Spartan virtue, the victory will be ours! Sure it will, just as it was for the Spartans. In reality, the movie's last scene in which a Spartan army of 10,000 has been assembled to march forth and avenge the deaths of the 300 is a complete lie. There never was any such Spartan 10,000 that saved Greece. The Spartans never did defeat the Persians. That task was left to a Macedonian Alexander the Great.

And are the Spartans a people to be emulated? Well, the National Socialists of Germany in the 1920s and 30s thought so, and look what got them.

Zack Snyder, the filmmaker, must surely have been a student of Leni Riefenstahl's and the screen-writers, admirers of Joseph Goebbels. But the propaganda in 300 would even make him blush. And what of the laudatory reviewers? Bill Walsh of The Weekly Standard and David Kahane of The National Review and their ilk are merely Hollywood whores. Better still, since these people admire the Spartans so much, perhaps Snyder, Walsh, Kahane, their ilk, and the screen writers, are all also pederasts.

## A HISTORICAL VIEW OF TERRORISM NOT APPLICABLE

Why do we Americans misunderstand terrorism and the world's swelling dislike for us and our country?

Most of us only condemn as barbaric terrorism that is directed against us, while a few, such as E.M. Adams, in a recent Point of View, clearly see that one person's terrorism is another's patriotism and condemn both equally. But few of us ever question the condemnation itself.

Professor Adams presents a point of view enfeebled by neglect of history, a neglect that characterizes American attitudes. He, as many American intellectuals, thinks in the realm of timeless theory.

We, for instance, are proud of our timeless Constitution, basically unchanged in two centuries, but we neglect the facts that the political philosophy upon which it is based was provoked by the concrete political conditions in 17th century England, which John Locke's philosophizing meant to reshape, and that these conditions no longer exist, having been replaced by others of which Locke had no inkling.

Our economists espouse a theory that is, both timeless and hypothetical, which does not take concrete conditions into account and treats the human suffering brought about by concrete conditions as not economically relevant. Our philosophers have abandoned the historical approach for abstract analysis, and even our historians have become event oriented, abandoning universal history as not instructive.



In a word, our culture is ahistorical. Professor Adams' condemnation of terrorism is based upon the abstract distinction between combatants and non-combatants, the so-called innocents. But he has ignored this distinction's historical context, which is far different from the contemporary context, for combatants were distinguished from non-combatants in a world of kings and princes who ruled their peoples absolutely. Those people had no say in their governments' wars, and policies, were illiterate, and were thus ignorant of the motives of their rulers and the effects of policies on other peoples.

But conditions have changed. Democracy has made all of us participants in our nations' endeavors; most of us who are citizens of Western nations are literate; and the press has made available to us enough information to make it possible for us to know not only about our own but the world's problems as well. We have lost our innocence; there are no innocents in today's world.

Our ahistoricism forges unjustified attitudes and generates countless problems. For instance, Professor Adams' opinion and a feature headlined "Africa travels road to ruin" appeared in the same Sunday edition, and, of course, Africa's problems were blamed on the Africans themselves—mere socialist mismanagement! But history belies this indictment, for 40 of Africa's 41 nations were once colonies of Western European countries, and in all their years as colonies, these Western colonial powers not only exploited their colonies economically but made almost no effort to educate the African people, teach them scientific agricultural methods, develop their countries, or prepare them for independence. The thought, I suppose, was that Africa would remain colonized forever, but since World War II, colonies have become economic burdens, and the Africans have

been left to their own primitive devices. Our brethren Western nations brought the Africans into the 20th century saddled with second-century knowledge. Little wonder that they are not succeeding.

But the problem is even more pervasive. Patrick Buchanan, the president's recently appointed communications director said, while working as a commentator for CNN, that Central America's problems could best be solved by allowing capitalism to work its way there as though socialism had been the prevailing Central American economic philosophy since it won its independence from Spain. Can he be ignorant of the fact that capitalism has been working its way there for most of the time since that event?

We Americans live in the present and assume that our beliefs and attitudes are so unquestionably right that we merely presume that other peoples want or at least should want to live exactly as we do, so we have set out to Americanize the world, not taking into consideration the beliefs and attitudes of different cultures.

The American people generally approve of American policies, especially the policy of Americanization. We always view the world from the standpoint of our interests, never asking about the interests of the people whose lives we are affecting.

How are the weak supposed to resist the most powerful nation on Earth? By meeting us man-to-man in battle, combatant to combatant, under rules devised by the Western World in Geneva that stipulate that we leave non-combatant innocents untouched? Not likely!

Terrorism is the only weapon the weak have, and it is completely justified, for none of us is innocent anymore.

## A PRETEXT FOR WAR

Santa brought me a copy of James Bamford's *A Pretext for War*. It is a disturbing book that chronicles the errors and bad judgments of our so called intelligence agencies and the White House's misuse of that bad intelligence to justify the war in Iraq. Yet for all of its virtues, it is a flawed book; it makes the same mistakes that intelligence agencies routinely make.

Intelligence gathering is a hazardous game. It is much easier to gather information of a single entity, a country, a group, or an individual. It become much more difficult to target the entire world. The amount of information gathered quickly becomes overwhelming, and virtually impossible to analyze, notice related items, and draw valid conclusions. One person reading the information gathered has a much better change of noticing relationships between two different items than two different persons reading each piece separately.

Mr. Bamford's book makes similar mistakes, even though only one author is involved. He amasses a gigantic amount of information, but never gets around to analyzing it and drawing any valid conclusions except that the agencies are inept. So it is difficult to fault the agencies for not doing what he, himself, does. Furthermore, no one should be surprised at the ineptness of intelligence agencies and their cooking the data to fit a preconception of what it shows. These agencies have had a long history of ineptness, carrying out of illegal activities, and promoting reactionary causes.

A more disturbing part of the book, however, is the revelation of the influence the State of Israel and its American supporters, some of whom have worked directly for the Likud party, have had and are having on American foreign policy. It is as though people like Richard Perle, Douglas Feith, David Wurmser, and

Paul Wolfowitz read the fictitious Chronicles of Zion and decided that a Jewish plot to take over the world was not such a bad idea after all. Americans need to be concerned about the influence of foreign powers and their American supporters on American policy. Such influence can lead to our destruction, if it hasn't already.

## A REVOLTING WORLD

*The Forces of Reaction never rest*

Many in many lands are demonstrating against their governments. Some claim that people everywhere are revolting and that a worldwide revolution is imminent. Even both the orthodox and heterodox presses are all atwitter. But it is far easier to bring about a successful revolution than it is to build and preserve a humane, functioning government. The forces of reaction never rest, and they have managed to undo most of history's people's revolutions. Revolutionaries must recognize that their first task is to defend their newly formed governments from reactionaries, for once reactionaries get their feet in the door, they will not stop until the revolution is undone.

Yes, the double entendre is intentional.

Any humane, sensitive, and intellectually honest person cannot help but be revolted after taking note of the inhumane condition of the people in most countries and the declining condition of most people in the so-called developed world. It is a world in which a very few prosper spectacularly while most suffer and perish without ever being noticed. And we call ourselves "human"! But is an inhumane person human at all? How does one attempt to answer such a question?

Of course, there are people everywhere who are genuinely revolted by what a few persons have done to the many. Jeremy Bentham and John Stuart Mill would surely wonder what ever happened to the principle they both advocated-the greatest happiness for the greatest number. Their Utilitarianism has been

pulled inside out. Now it seems that the principle is the greatest happiness for the fewest people. They would indeed wonder what have human beings become.

This revulsion is now leading many in many lands into demonstrating against their governments. Some claim that people everywhere are revolting and that a worldwide revolution is imminent. Revolution is everywhere in the air. Even the orthodox and heterodox presses are all atwitter. Is a new world awakening? Is the eternal spring of hope to be actualized? Would that it were so. If history is any guide, not likely!

There are, of course, a few voices urging caution. No, not the president who claims to be advocating peaceful governmental transitions. I mean people such as Mohamed, an Egyptian, living in the United States, who says, "Egyptian President Hosni Mubarak must go," but he fears that regardless of the promises, Mubarak will figure out a way to keep his henchmen in power and the brutal legacy of cruelty and torture will continue. There is also Mahdi Darius Nazemroaya, who has just published an interesting piece, *Revolution: Is 1848 Repeating Itself in the Arab World?*, which warns that the forces of reaction might negate current revolutions just as they negated the revolutions of 1848.

In fact, given the revolting condition that most people endure, it should be evident that revolutions, no matter how sincere at their inception, never produce the reforms desired by the revolutionaries. Although everything Nazemroaya says about the aftermath of 1848 is true, he doesn't go back nearly far enough.

Ever heard of the French revolution? What ever happened to it?

It took place between 1789 and 1799 during which radical social and political changes took place. The absolute monarchy collapsed, and French society underwent an epic transformation. Feudal, aristocratic, and religious privileges were abandoned because of pressure from liberal political groups and the masses on the streets. Old ideas succumbed to Enlightenment principles of citizenship and inalienable rights. Republican principles were the liberal songs of the day.

Then came the reaction. When the French National Convention sought to export revolution, a military coalition made up of Spain, Naples, Great Britain, the Netherlands, Austria, and Prussia was formed. The republican forces were led by Napoleon Bonaparte and when they prevailed, Napoleon became Emperor. The revolution died in the hands of the general who was entrusted to protect it. When Napoleon's army was finally defeated at Waterloo, The conservative Congress of Vienna reversed the political changes that had occurred. The monarchy was restored and Louis XVIII became king. France did not abandon monarchy until the late 1800s, a century after the revolution began. Were republican principles restored? Ask any Frenchman. *Liberté, égalité, fraternité*? Not by a long shot.

But one need not look elsewhere to expose the actions of reaction. Look at the United States of America instead.

In 1776, the Declaration of Independence was promulgated. It says,

“We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the



pursuit of Happiness. - That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed, - That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness. Prudence, indeed, will dictate that Governments long established should not be changed for light and transient causes; and accordingly all experience hath shewn that mankind are more disposed to suffer, while evils are sufferable than to right themselves by abolishing the forms to which they are accustomed. But when a long train of abuses and usurpations, pursuing invariably the same Object evinces a design to reduce them under absolute Despotism, it is their right, it is their duty, to throw off such Government, and to provide new Guards for their future security. - Such has been the patient sufferance of these Colonies; and such is now the necessity which constrains them to alter their former Systems of Government. The history of the present King of Great Britain is a history of repeated injuries and usurpations, all having in direct object the establishment of an absolute Tyranny over these States.”

Doesn't this paragraph describe the conditions that cause revolutions even today? Doesn't it justify overthrowing governments by force? After this declaration was promulgated, didn't the American colonists fight a long and brutal war with England?

The colonists did, of course, have a regular army of sorts. But they also had what would be now considered terrorists. The Sons of Liberty formed units in many towns and threatened violence. In

Boston, they burned the records of the vice-admiralty court, looted the home of the chief justice, and threatened anyone who aided the British. The United States of America was born in violence. So why is the government telling those oppressed in other lands to engage only in “peaceful” transitions? Because the American Revolution was undone as early as the Constitution was adopted. Article III, Section 3 reads, “Treason against the United States, shall consist only [emphasis mine] levying War against them, or in adhering to their Enemies, giving them Aid and Comfort.” Violent revolution was fine in 1776, but not after 1789. Revolutionaries themselves become reactionaries! Is Baron Acton right? Does power corrupt? Does absolute power corrupt absolutely?

Today in America, even political parties that merely advocate violent revolution are illegal. The only political opposition permitted is non-violent opposition, which, of course, has a fat chance of ever succeeding. Americans haven’t even been able to organize a third party.

Jefferson writes, “We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness. - That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed.” The Constitution reads, “We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.”

Who in America today would say that all Americans are created equal? Who in America today would say that the Union has been perfected, that Justice has been established, that domestic Tranquility has been established, that the general Welfare is being promoted, and that the Blessings of Liberty have been secured for ourselves and our Posterity? The American Revolution, like all revolutions in history, has been undone. More than peaceful street demonstrations, it appears, is needed to resuscitate it.

It is far easier to bring about a successful revolution than it is to build and preserve a humane, functioning government. The forces of reaction never rest, and they have managed to undo most of history's people's revolutions. Revolutionaries must recognize that their first task is to defend their newly formed governments from reactionaries, for once reactionaries get their feet in the door, they will not stop until the revolution is undone.

## AMERICA: AN ORDINARY NATION RULED BY GREEDY, UNJUST, AND INHUMANE PEOPLE

### *Realpolitik! Taking the Low Road*

“It will be worthy of a free, enlightened . . . great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence.” -George Washington

Washington devoted his Farewell Address to advising those who would follow him into governing the United States of America. He tried to get them to travel the high road of virtue, honesty, and fairness and eschew the low road of viciousness, duplicity, and favoritism.

“. . . virtue or morality is a necessary spring of popular government. . . . Observe good faith and justice towards all nations; cultivate peace and harmony. . . . Who can doubt that, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it ? . . . nothing is more essential than that permanent, inveterate antipathies against particular nations, and passionate attachments for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated.”

Almost immediately, Washington’s successors began to repudiate his advice, and his New World nation began its descent into an Old World one in which people are pawns who are used as mere means to the ends of unscrupulous power brokers. John Kennedy expressed this status quo sentiment when he uttered the famous

line, "Ask not what your country can do for you, but ask what you can do for your country." Yet people do not come to this or any other country to serve as means to the country's goals. They come to serve their own modest ends and are happy when their own ends are congruent with the nation's.

America's power brokers seem to believe that governments determine the goals of their peoples. Only such a belief can explain this nation's maniacal attempts at regime change. Somehow or other the belief exists that changing a nation's government will change the desires and attitudes of its people. History fails to support this belief. Careful thinking requires that the people who populate a country be distinguished from the people who rule it.

In March, 2003 the United States invaded Iraq in an attempt to depose Saddam Hussein's autocratic government. Members of the invading army had been told they would be welcomed as liberators. Instead an insurgency emerged which opposed the invading forces. The United States, after deposing Hussein and having installed an American "friendly" government, withdrew its military forces in December, 2011. The war for regime change had succeeded. But the attitudes of the people who inhabit Iraq did not. The killing continued, the region's political forces were destabilized, and now a full-phased civil war has emerged. American troops are again being sent to Iraq. The country may end up being dismembered. Regime change, although successful, instead of stabilizing the region, destabilized it and denied America the achievement of all of its goals. Governments do not comprise countries, people do.

Syria became independent in 1946, but in March, 1949, army Chief of Staff Husni al-Za'im staged a coup d'état with American help which ended civilian rule. Za'im met at least six times with CIA operatives in the months prior to the coup to discuss his plan to seize power. Once in power, he took several steps that benefited the United States. He also improved relations with Israel and Turkey. However, Za'im's regime was short-lived. He was overthrown just four and a half months after seizing power. Again, America's attempt at regime change had succeeded but it was soon undone by the actions of the Syrian people. Today America is again supporting regime change in Syria. Failure is no deterrent to an American government!

In fact, America's attempts at regime change have failed or been only temporarily successful more often than not. And the countries whose regimes it has tried to change are by no means advanced and developed. America picks on what it believes are the primitive and weak. And even then, regime change has not proven to be an effective policy. Of the more than two dozen countries in which regime change has been tried, only one is now a strong American ally. Trying to change the governments of nations is not a way to make friends.

Two groups of countries comprise most of America's attempts at regime change-Latin American and Muslim.

American politicians have always sought to keep Latin Americans under the thumb of Uncle Sam. Early in the Nineteenth Century, America's fifth president, James Monroe, who is famous for having promulgated his Doctrine, proclaimed that the Americas should be free from future European colonization and from European interference. Although Monroe

claimed that the nations of Latin America would be kept independent, American governments continually interfered in their affairs which formed the subject of General Smedley Butler's "War is a Racket" which exposed the interference. Since then America has attempted to change the governments of Argentina (1976), Brazil (1964), Chile (1970-73), Cuba (1959), Dominican Republic (1961), Guatemala (1954), Haiti (2004), Nicaragua (1981-90), and Venezuela (2002). A guarantee of independence indeed!

America's interference in the affairs of Muslim nations is similar. Since 1949, the United States of America has attempted to bring about regime change in Afghanistan (1979-89 & 2001), the Gaza Strip (2006-present), Iran (1953 & 2005-present), Iraq (1960-63 & 1992-96 & 2002-03), Libya (2011), Somalia (2006-07), Syria (1949 & 2012-present), and Turkey (1980). Of these, only Turkey today is an American ally. The United States of America has become the rhinoceros in the coffee shop. I suspect it has generated more hatred than any other nation in history.

How has America become this nation belligerent to all? How has this nation that its founding father advised to always be guided by an exalted justice and benevolence become one guided by shameful injustice and malevolence? It adopted the philosophy of realpolitik!

Realpolitik was formulated by a German, Ludwig von Rochau, in 1853. To Rochau, the law of power governs international relationships just as the law of gravity governs the physical world. Otto von Bismarck is the most famous advocate of realpolitik. As Chancellor of Prussia, Bismarck sought to bring about Prussian dominance in Europe. He manipulated political

issues to antagonize other countries and started wars to attain his goals. Sounds familiar, doesn't it?

E. H. Carr, a British historian and international relations theorist, argued for *realpolitik* by promoting the belief that there is no God, that there is no moral dimension, and that what is successful is right. But as Friedrich Nietzsche writes,

“God is dead. God remains dead. And we have killed him. Yet his shadow still looms. How shall we comfort ourselves, the murderers of all murderers? What was holiest and mightiest of all that the world has yet owned has bled to death under our knives: who will wipe this blood off us? What water is there for us to clean ourselves? What festivals of atonement, what sacred games shall we have to invent?”

Yes, God is dead and we have killed him, so everything is permissible—kidnapping, torture, assassination, collateral killing, war, terrorism, unlimited incarceration without charges, lying, promises meant not to be kept.

What implications for other countries follow from this American adoption of *realpolitik*? Well, it follows that American government is utterly unreliable. The American government can be expected to abrogate any agreement or treaty whenever abiding by it is no longer in America's national interest. To fulfill such agreements and treaties would be an act of principle, but *realpolitik* is completely unprincipled.

Some foreign diplomats are beginning to understand this. Poland's Foreign Minister, Radoslaw Sikorski, recently said that the Polish-American alliance is worthless, even harmful, as it gives Poland a false sense of security.



Realpolitik consists of policies based primarily on power rather than ideology or morals. Henry Kissinger, a modern day Machiavelli, is a prominent exponent of realpolitik. He formally introduced realpolitik to American diplomats during the administration of Richard Nixon. But Machiavellians have always existed among human beings, even before *Il Principe* was written.

The trouble is realpolitik has never worked for more than a short time. It enabled Bismarck to unify Germany under a Prussian hegemony, but it utterly destroyed Europe twice in thirty years in the Twentieth Century and is responsible for the slaughter of millions of people by the commission of atrocities hitherto never heard of. It is not working today.

The United States Department of Homeland Security was formed in 2003 after the September 11 attacks. A ten year war on terrorism, if successful, would have lessened the need for such a department; yet the need is ever and ever greater. The Lernaean "terrorist" Hydra not only has many heads it seems to grow two more when one is severed. Homeland Security can never get powerful enough to subdue it. America will fight its war to exhaustion. What Americans have not learned is that the low road goes to no benign destinations.

Washington suspected that his advice would be rejected:

"In offering to you . . . these counsels . . . I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations."

I suspect that Washington knew that the leaders of nations are not selected for their wisdom or character. Once they leave office, these leaders are quickly forgotten. America has made it into a Constitutional principle-no president can serve more than two terms. When an American president completes the second term, s/he is pensioned and told to find a rock to crawl under never to be heard from again on any policy issue. Neither character, wisdom, or experience is of any value.

So, America will never be that great nation that will give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. In reality, America is a militarily powerful but otherwise ordinary nation ruled by small minded greedy, unjust, and inhumane people.

## AMERICA-BEARING THE ONUS OF WESTERN CIVILIZATION'S SINS

Western Civilization is generally credited with providing the world with the idea of democracy. The Western nation that did that, of course, is Greece in the Classical Period which occurred about 400 years before the birth of Christ. Unfortunately, democracy in Classical Greece was a short lived institution. It quickly gave way to tyranny. And tyranny is a much more lasting product of Western Civilization than democracy has been.

Tyranny, of course, has many forms, and Imperialism is one of them. Since the fifteenth century, the nations of Western Europe made it into an international philosophy which resulted in European colonies in the Americas, the Near and Far East, and Africa. In a formal sense, formal Imperialism came to an end in the few decades after the Second World War.

In a sense, one of the reasons for the Second World War was the defense of Western European Empires. Japan wanted to wrest them from the Europeans and create an Empire of its own. The Italians wanted an Empire in Africa, and the Germans wanted a goodly part of Eastern Europe. Although the Allied victory in World War II frustrated these desires, the Allies also managed to lose the Empires they had fought so hard to create and defend, giving substance to the old saw that there are no winners in war.

But although formal empires ceased to exist, the notion of imperialism never died. It is alive and well today and still constitutes the international policies of the Western World. The idea has merely taken a different form.

At the end of World War I, France and Great Britain carved up the middle east into protectorates, fully sanctioned by the League of Nations another creation of Western Civilization. As a matter of fact, all of the nations that make up the Middle East today are

artificial creations of the Western powers. Although the Arabs were promised an pan-Arabic state when the First World War was being fought, the Western nations reneged on that promise when the war was won when they created these artificial client states. Today these former client states are attempting to shake off the yoke of Western dominance and ending once and for all the era of Imperialism, and for the most part, the United States of America has taken on the burden of keeping that from happening. It is a policy that will inevitably fail. The desire for independence is no less powerful among Arabs than it was among the peoples in other parts of the world, including America in the 1700s. No people wants to be dominated by a foreign power.

The American attempt to frustrate the Arab desires to rid themselves of foreign domination today takes the form of a War on Terror. An interesting expression, really, since war is itself a form of terror. To the people of Iraq, for instance, does it make any difference if the terror is in the form of a suicide bomber or a car bomb than an American missile which strikes unannounced and is launched from miles away? How can one be more terrifying than the other?

But terror and the War on Terror require some background to be understood. The Muslim Brotherhood is said to be the sire of all current terrorist organizations. How and why did it come into existence?

British troops occupied Egypt in 1882, and British resident administrators become its de facto government. In 1914, Egypt officially became a protectorate of Great Britain. An Egyptian nationalist movement led by Zaglul Pasha eventually forced Great Britain to relinquish its rule, and Egypt became an independent nation in 1922, but British troops remained in Egypt ostensibly to defend the Suez Canal. Because of the presence of these British troops, which the Egyptian Wafd party opposed, the

Muslim Brotherhood was established, and because the corrupt Egyptian government under the rule of King Farouk was Western oriented, the Brotherhood turned to what we call terrorism today. The terrorism eventually succeeded in overthrowing Farouk and expelling British troops; however, various succeeding governments were themselves corrupt and, although somewhat less so, still Western oriented. These governments tried to suppress the Muslim Brotherhood, but each attempt at suppression only succeeded in spreading its influence throughout the Arab world. Today the progeny of the Muslim Brotherhood are the people whom we call terrorists.

Had the Imperialism of the Western nations made a clean break with the doctrine after the Second World War, there would be no conflicts in the Middle East today. Israel, which is itself an artificial creation of the Western powers made in an attempt to expiate the sins of Western European anti-Semitism, would never have been established in Palestine. And it is because the United States of America has taken on the burden of defending this artificial state that these Arabian terrorists have targeted us.

The Jews of Europe were made homeless by the anti-Semitism of Europeans. They were an unjustly displaced people who were subjected to unimaginable horrors during the war. That, of course, was a great wrong that needed an atonement. But displacing the Palestinian people was also a great wrong. The Western powers either forgot or ignored the age old maxim that one wrong cannot be righted by another. Americans today are atoning for that second wrong with blood and money. The War on Terror cannot have a happy outcome. There will be no winners in this war.

## AMERICA'S DEBT TO THE BRITISH FOR THE WAR ON TERROR

Nile Gardiner has written a column, available at National Review Online, titled, A British Blunder. The column's first two paragraphs contain these sentences:

"Over the last 200 years, Great Britain has waged more wars and won more conflicts than any other nation in the world. From the Falkland Islands to Sudan to the North West Frontier, British soldiers have left their mark with a distinguished record of heroism, sacrifice, and bravery. That tradition continues today in Iraq and in Afghanistan, where more than 250 British servicemen have laid down their lives for queen and country. It is a proud history that has earned Britain a reputation as a great warrior nation."

Great warrior nation, indeed! But it never acquired a proud history as a great civilizing nation. And that's the shame of it all. Great conqueror, plunderer, and exploiter? Yes! Great civilizer? No! And since the end of World War II and the decline of the British Empire, what the world has inherited is one fine mess. In a November, 2002 interview with UK Foreign Secretary, Jack Straw, published in the New Statesman magazine, even he blamed Britain's imperial past for many of the worlds present problems. Look at the list of these places where Great Britain has left its sordid influence.

Afghanistan, Pakistan, and Iraq where wars supposedly against the Taliban in hopes of snaring Osama bin Laden are causing utter destruction and enormous loss of life. The Sudan where genocide is a common practice. Myanmar where a military government is killing its Buddhist monks and protesters. India and Bangladesh where sectarian violence has never abated. Palestine, Lebanon, Syria, and Israel, all of which have been

devastated by the admitted prevarication of the British government.

"The Balfour declaration, Jack Straw said, and the contradictory assurances which were being given to Palestinians in private at the same time as they were being given to the Israelis . . . [is] interesting history for us, but not an honorable one." And in a 1919 memorandum, Arthur James Balfour, Britain's Foreign Secretary, wrote about these contradictory assurances: "The contradiction between the letter of the Covenant is even more flagrant in the case of the independent nation of Palestine than in that of the independent nation of Syria. For in Palestine we do not propose even to go through the form of consulting the wishes of the present inhabitants of the country. . . . The four great powers are committed to Zionism and Zionism, be it right or wrong, good or bad, is rooted in age-long tradition, in present needs, in future hopes, is of far profounder importance than the desire and prejudices of the 700,000 Arabs who now inhabit that ancient land."

And lest we forget. Great Britain was the first drug pushing nation, having fought two wars in China to protect its opium trade.

What nice people these British have been!

Of course, Britain today is not so Great; it now refers itself not as Great Britain but as the United Kingdom, and this kingdom today consists of only the partially willing. The sun now daily sets on the empire on which the sun once never set.

Great warrior nation, indeed, which for more than a century now could and can not even protect itself, except from minor foes such as Argentina (the Falkland Island War).

Unfortunately, the United States has assumed the British mantle and has stepped in where Britain withdrew. In the twentieth century, Great Britain, along with France and other European

countries, discovered that they could not afford to maintain and defend an empire. Americans may soon find themselves coming to that realization too. Then the money and lives squandered will haunt us, perhaps, forever.



## APPREHENDING OSAMA BIN LADEN

How would Americans react if the tactics used by the police in attempting to apprehending murderers resulted in the additional deaths of one and the wounding of five policeman, along with the deaths of eight and the wounding of forty uninvolved persons?

Do you think that Americans would find such numbers acceptable?

Well that is what has happened in our attempt to get Osama bin Laden, and we haven't gotten him yet.

Does it really make any sense to kill and maim more people while trying to capture a criminal than the criminal himself killed and maimed?

On, 9/11, about 3,000 Americans were killed. Since then, in trying to avenge their deaths, more than 4,500 Americans have been killed in Iraq and Afghanistan and more than 30,000 have been maimed. We are killing and maiming more of our own than Al Qaeda did. These wars are clearly a case of cutting off one's nose to spite one's face.

## **BLUNDER AND PLUNDER: THE HISTORY OF WAR**

Edmund Burke (1729-1797) claimed that “Those who don’t know history are destined to repeat it.” Perhaps. But more serious are those who know history but learn nothing from it.

Victor Davis Hanson is a Distinguished Fellow in History at Hillsdale College, a senior fellow at the Hoover Institution, and a columnist for National Review Online—all institutions with admittedly right wing views. He writes about war but has never fought in one. He is a historian whose views of history are based on his biases, not the evidence.

The problem with people writing about war who have never fought in one is that the war written about is sanitized. The stench of death has never been smelled. The screams of the wounded and the moans of the dying have never been heard. The disembodied body parts and the gore have never been seen. The fear has never been felt. The vomit has never been tasted, and the sadness over the loss of comrades has never been experienced. The war these people write about, advocate, promote, and declare is not the war that happens. The war that happens is down and dirty. But authentic history is about the real, not the ideal, and conclusions drawn from the one can’t be drawn from the other.

Hanson writes, “human nature will not change. And if human nature will not change ... then war will always be with us.” But he never asks whether war results from human nature or from human institutions developed by the few and imposed upon the many. He writes, “non-Western nations now have leverage, given how global economies work today, through large quantities of strategic materials that Western societies need.” But this isn’t just

true “today,” it has always been true. Stronger nations have always waged war to plunder the resources of weaker nations. Wars are not fought just to fight; they are not sporting events. In fact, nations that fight wars for access to natural resources engage in what would be capital crimes if citizens did it domestically. If war were the result of human nature, then internal war waged by citizens against other citizens to get what they need would be just as justifiable as wars between nations, and if the former is not justifiable, neither is the latter.

Wars to acquire access to natural resources are instruments of economic systems, and economic systems are institutions. Rewrite Hanson’s conditional claim, if human nature will not change, then war will always be with us, to read if human institutions will not change, then war will always be with us. It is then easily seen that if war is to be eliminated, human institutions must change, and although that may not be easy, it certainly is not impossible.

But there is implicit in Hanson’s piece something he never states. He writes, “Europe had a very small population and territory, and yet by 1870 the British Empire controlled 75 percent of the world.” This empire, of course, was the result of the “Western way of war.” Hanson seems to consider it to be a major accomplishment of Western Civilization. But all empires are created by killing in order to plunder. They are the result of policies conceived to deliberately violate the Tenth Commandment; they are the result of coveting something that belongs to someone else. Yet Western Civilization was in the past referred to as Christendom. And, of course, the economic system known as Capitalism is also a coveting system.

Hanson and others apparently believe that empires make imperial nations strong. But is that true?

Consider the historical evidence. There have been empires galore: The Akkadian Empire, the Assyrian Empire, the Persian-Achaemenid Empire, the Hellenistic Empire, the Persian Empire, the Han Empire, the Mongol Empire, the Roman Empire, the Islamic Empire, the Byzantine Roman Empire, the Holy Roman Empire, the Russian Empire, the Latin Empire, the Empire of Nicaea, the Empire of Trebizond, the Muslim Ottoman Empire, the Austrian Empire, the Spanish-Portuguese Empire, the French Empire of Napoleon, the German Empire, the Brazilian Empire, the Sikh Empire, and the Japanese Empire, to name just the most well known. All fell!

And what of the British Empire? Yes, by 1870 the British Empire controlled 75 percent of the world, but in both 1914 and 1939 it was unable to defend itself, and after the end of World War II, even though Britain was among the so-called winners, the empire collapsed. Empire hadn't made the nation strong; it had weakened it. Why hasn't anyone learned this lesson from history?

But historians are not the only delusioned. Diplomats are equally ignorant of history's lessons. Henry Kissinger has claimed that nothing maintains peace except hegemony and the balance of power. But does it?

There have as many paxae as empires. Consider this list: Pax Assyriaca, Pax Britannica, Pax Dei, Pax Europeana, Pax Germanica, Pax Hispanica, Pax Islamica, Pax Khazarica, Pax Minoica, Pax Mongolica, Pax Nicephori, Pax Ottomana, Pax Praetoriana, Pax Romana, Pax Sinica, Pax Sumerica, and Pax

Syriana. None was peaceful; all of these paxae are defined as periods of relative peace, but relative peace isn't peace.

Consider America. Since the end of World War II, America has been at war almost constantly; yet the period since the end of the Second World War is referred to as Pax Americana. Calling this period "peace" turns the meaning of that word on its head.

So what are the lessons of history that go unheeded? Hegemony weakens rather than strengthens nations and never results in peace. Seeking hegemony is a blunder in search of plunder—nothing more and nothing less.

Why would anyone believe otherwise. Revenge is clearly a common feature of human nature while war is not. Killing for plunder provokes revenge, and the plundered never forget. Indians still honor those who fought on Japan's side in the Second World War and ignore those who fought for Britain.

Although America spends a huge amount of money on weaponry, America today is a far weaker nation than it was in 1945. The economy is in shambles, the infrastructure is on the verge of collapse, the nation is bankrupt, and the weaponry has not won America many wars.

What are America's notable successes? Grenada where a non-existent army was fought and the First Gulf War where Saddam Hussein chose to fight a Western style war. But that war taught the world a lesson it is not going to forget.

Consider America's failures. The Western nations were fought to a standstill in Korea by the Chinese, the Vietnamese drove

Americans out using relatively primitive weapons when compared to those used by Americans, the current enemy in Iraq has been temporarily bought off rather than defeated as the continued violence in that country demonstrates, and the enemy in Afghanistan has fought Americans to at least a standstill. Weapons alone do not win wars.

And what Iraq and Afghanistan will look like after the Americans leave is unknown. Will these nations be American friendly? Not likely. Too many Iraqis and Afghans will remember their friends and relatives the Americans killed.

America long ago lost the respect of what was called the Third World. Now it is losing the free world's respect too. When Americans ask NATO for support, all it gets is lip service and token forces. Brazil, India, South Africa, and Turkey regularly frustrate American initiatives. And in what is referred to as the non-free world, the Chinese and Russians pretend to be sympathetic but never offer concrete support. American rhetoric no longer commands the world's press. When Americans ask why people throughout the world want to harm us, the answer is because Americans have been harming them. As Ron Paul has repeatedly said, "they're over here because we're over there." It's really just as simple as that.

Hanson and others believe that war will always be with us. But I suspect that ending war is really very easy. Just force the children of those who promote war to fight it.

## CONSERVATIVES LEADING THE WORLD HEADLONG INTO THE 18TH CENTURY

*Those dastardly French! What arrogance! In 1789, they tried to destroy the Ancien Régime (read Old Order).*

The Old Order is an aristocratic, social, and political system that prevailed in Europe between the 14th and 19th centuries. In it, power is held by the monarchy, the clergy, and the aristocracy, and society is divided into three Estates –the nobility, the clergy, and the rest of the people who are powerless. The Ancien Régime retains the privileges of both the nobility and aristocracy that existed in feudal times, and the people, whose lives have the value of mere livestock, exist only for the benefit of the state. The Ancien Régime is also militaristic, aggressive, and imperialistic. Wars are common, and between the reigns of Louis XIV and Louis XVI, France fought in at least 27 of them. But wars, then and now, are expensive, and France financed them with debt. When Louis XVI ascended the throne, the nation neared bankruptcy, and the people were impoverished. These circumstances provoked the French Revolution. Its aim was not merely to change the government's form, it was to change the nature of society. Its battle cry was Liberté, Egalité, and Fraternité. The revolution was no mere political uprising; it was a social uprising whose aim was to entirely destroy the Old Order's social structure, to abolish the privileges of the clergy, aristocracy, and nobility, and to uplift the value of and empower common people. The French didn't entirely succeed, but they did create the conditions for the eventual emergence of social democracies in Europe.

This revolution alarmed the monarchs of the remaining Old Orders in Europe. The French were engaged in an ideological revolution hoping to launch a new era in world history; the remaining European monarchies saw the revolution as a life-and-death ideological struggle and sought to reverse it. Austria declared war on France, Napoleon emerged to fight it, and when he was eventually defeated by the armies of the other European powers, many of the worst features of the Old Order were reestablished in France. But even some Frenchmen sought to reverse it. One was François Auguste René, Vicomte de Chateaubriand who began to publish a journal in which he coined the term “conservative,” and ever since, that term has meant conserving as much as possible of the old economic, social, and political order with all of its privileges for the established.

If you believe the Old Order is now passé, just replace the words, “clergy” and “nobility” in the paragraphs above with “business” and “politicos” and you will recognize present day American society in that description of the Old Order’s first and second estates. Then contrast the French Revolution with the American which is sometimes erroneously described as the first Enlightenment revolution. The colonists were not concerned with social injustice. They were happy with the 18th century English social order which they brought with them when they came to the New World. Although the Declaration of Independence states that “all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness,” the revolution’s battle cry was “taxation without representation,” not “life, liberty, and happiness.” The only thing Americans wanted to rid themselves of was the English monarch’s rule. The American



Revolution was purely political; it preserved the English Old Order in America.

This difference between the French and American revolutions explains much about America. Just as the European Old Order was militaristic, aggressive, and imperialistic, America has made military incursions into 23 nations more than 30 times since the Civil War, and these numbers don't include the First and Second World Wars. Only once during that time did a foreign power enter the United States, and that was the very minor incursion of Pancho Villa into Arizona. Over the past several decades, more and more of this military activity has been financed by debt.

This difference between the French and American revolutions explains why no authentic liberal party has ever emerged in America. If Republicans are conservatives, Democrats are merely slightly more moderate conservatives, a political view once known as conservative liberalism.

This difference explains why Americans have a meager and torn social safety net, which the conservative establishment continually tries to abolish. It explains why Americans lack universal access to medical care; it explains the establishment's abhorrence of labor unions; it explains the country's lack of an effective pension system; it explains the American tolerance for an economic system that transfers wealth from the poorer to the wealthier economic classes; it explains how the Congress can, often almost overnight, come up with billions of dollars for foreign aid, wars, and businesses, but always claims that social programs are too expensive to fund; and it explains the government's bailout efforts to counteract the current economic downturn. The common people are being forced to do without to

pay for the losses of the nation's economic institutions and those who have profited from running them. Americans are just as brave as people anywhere when called upon to defend established institutions but are inexplicably craven when it comes to confronting the establishment in defense of their own welfare.

Paul Krugman has recently written that "falling wages are a symptom of a sick economy. And they're a symptom that can make the economy even sicker." Of course, he's right, but being part of the establishment himself and not having mastered the techniques of root cause analysis, his claim is shallow. America's economy is sick, but it's sick because the 18th century English social structure that Americans have preserved is sick.

What's worse, it can be argued that this social structure subverts the goals of the Constitution. Its Preamble states that the Constitution was enacted to "establish Justice, insure domestic Tranquility, provide for the common defense, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity." But if the government has promoted "the general welfare," most Americans haven't shared in it. And it has long been known that the legal system allows "justice" to be bought. Iustitia, the Roman Goddess of Justice, who stands in many American courtrooms, is not blindfolded to symbolize the view that justice is blind, she is blindfolded to keep her from seeing what happens in those courtrooms. And America is a violent nation; it cannot be said to be domestically tranquil. Americans imprison more criminals per capita than any other nation. And although Americans claim to value life, especially when opposing abortion, killing is ubiquitous. Parents routinely kill each other and their children, children kill their parents and other children, strangers kill strangers, highways are killing

fields, not only by accidental means but by “road rage” shootings. And this claimed American respect for life doesn’t extend to foreigners. Not one prominent American has lamented the deaths of more than a million Iraqis since that nation was invaded by America and its coerced coalition.

American society is in such disarray that it has been said that Americans no longer live together, they merely live side by side. The establishment media was quick to report how Americans came together after nine-eleven, but it never reported how that togetherness came apart by ten-eleven.

The 18th century English Old Order still exists in America. The government exists for the sake of the nation’s established institutions and those who run them. The lives of common people have little value; they are little more than livestock who exist only for the sake of those institutions. Having fought a revolution to keep from being taxed without representation, they now, ironically, find themselves taxed by their elected representatives who represent not them but the established who finance campaigns. The nation is not tranquil, welfare is not general, justice is scarce, and the blessings of liberty are meager. The national defense, however, is substantial, but what is America defending?

The government justified the wars in Iraq and Afghanistan as a means of protecting America. But neither of these nations ever posed a threat to America. About three thousand Americans were killed on nine-eleven, however. Do these wars now protect Americans from similar fates? Well, more than 4,000 Americans have been killed and more than 43,000 have been maimed in these wars. That’s almost 50,000 Americans who have not been

protected, a number equivalent to sixteen times the number of casualties on nine-eleven.

Why were the American colonists so different from the French in 1789? And why have Americans acquiesced in maintaining this 18th century social system which has such horrendous recurring consequences?

Perhaps the answer lies in the fact that in the 18th century, the American colonies were sparsely inhabited, communities were small and somewhat ideologically pure, and business was local. In such circumstances, social problems were not likely to be a major concern. Those circumstances changed long ago, and America is now beset with what appear to be intractable social problems.

Why haven't the attitudes of Americans changed? The answer can only lie in its educational system. Local control of the public schools perpetuates ignorance and out of date values. The American university system, long known for its emphasis on vocational training, has never tried to impart the classical educational values of truth, goodness, and beauty to its students. The result is that Americans are very good at teaching people how to do things, but not very good at giving them the means to understanding anything. And the American failure to understand the horrid consequences of 18th century social structure means that Americans will continue to endure them.

Is it likely that American attitudes will change? Doubtful at best! The French in 1789 had an ally that Americans lack. The common people of France had the press on their side; it was even referred to as the Fourth Estate. Americans do not. The American press has been incorporated into the establishment's Second Estate.

Without an active, sympathetic press that tells the people the truth about what is going on, the people mired in ignorance will remain there, and as leader of the so called "free world," America is leading the world headlong into the 18th century. We can only hope that the world will not follow.

## DIANE SAWYER AND AHMADINEJAD

Yesterday, December 21st, ABC News ran a story about Diane Sawyer's interview of Mahmoud Ahmadinejad. She, like most mainstream American journalists, has long given up on any attempt to report real news, and is on Forbes Celebrity 100 list which otherwise consists almost entirely of entertainers and athletes.

Sawyer, a talking rag doll stuffed with sawdust, asked the Iranian president ridiculous questions in what was obviously an attempt to make Mr. Ahmadinejad look bad in the eyes of her American viewers.

For instance, she asked him about "a newly revealed secret document that purportedly shows Iran has been trying to develop a crucial component of a nuclear bomb." He said it was fake; she asked if he had any proof; he asked if she had any proof that it was authentic. Standoff? Not really! Sawyer failed to acknowledge that the American government and others routinely produce supposedly secret documents that turn out to be fakes. Has she forgotten the fake document about George Bush's service in the National Guard that got Dan Rather fired? Has she forgotten the faked document that Colin Powell displayed at the Security Council that claimed Iraq was purchasing aluminum tubes from Nigeria needed for an atomic weapons program? If anyone needed to provide proof of the document's authenticity, Sawyer did.

Second, she asked Ahmadinejad if he would "assure the West that Iran would never weaponize its nuclear material and turn it into a bomb." Of course, he refused to answer this question. How could he have answered it? Ahmadinejad will not be Iran's president forever, and even if he has no intention of weaponizing its nuclear material, who knows what future presidents of Iran or

any other country, for that matter, will do? Unless she is brainless, Sawyer knew the question could not be answered and asked it just for that reason. She knew that she and ABC news could emphasize Ahmadinejad's refusal to answer and make him look bad.

Third, she asked him whether Iranians were free to demonstrate and say whatever they wished. Ahmadinejad rejected the suggestion that Iran doesn't tolerate criticism or street protests, saying "In Iran we have got freedom, more than what there is in America" and that Iranians can demonstrate if they have valid permits. Didn't Sawyer realize that permits are required in America too? Or was she dissembling? When Sawyer asked about the deaths of demonstrators during the recent demonstrations about the election results, did she conveniently forget about the deaths of student demonstrators at Kent State?

Fourth, she asked him about releasing Shane Bauer, Josh Fattal and Sarah Shourd, three Americans who claim to have innocently wandered across the Iranian border. "Are you still going to do your best to set them free?" Sawyer asked. "Yes," Ahmadinejad curtly replied. "But I have got a question to you. How do you know they have accidentally crossed into Iran? How do you know they were looking for waterfalls and forests?" Sawyer asked if there was evidence that the trio were anything but adventurous tourists, Ahmadinejad asked, what proof do you have that they were? Another standoff? Not really! After all, Bauer is a freelance journalist, Shourd is a writer, and Fattal is an environmental worker. No one asks how these three became "friends." They hale from different parts of America's Minnesota, California, and Oregon. Were they tourists in search of a waterfall or a trio in search of a story? Ahmadinejad said let the courts decide. If you were in a foreign country in search of a waterfall, wouldn't you hire a guide?

Sawyer, along with most mainstream journalists, has long abandoned anything that can be described as journalistic integrity. Her interview was meant to be sensational. (Oh, how that describes the American press!) She is engaging in nothing more than National Enquirer journalism. And she is not the only ABC "journalist" doing it.

Remember Martin Bashir's (or is it Basher's?) piece on Michael Jackson before his trial on child molestation. A hatchet piece if there ever was one; yet Martin wept crocodile tears after Jackson's untimely death. And there's Charlie Gibson (Gypson?) who interviewed President Obama recently. When Gibson asked the President why he approved sending more troops to Afghanistan, he allowed the President to get away with merely answering, "because I believe it's the right thing to do." How informative was that? Would any president ever admit that he did something because he believed it was the WRONG thing to do? Why didn't Gibson ask the president why? Because he really didn't care; the interview was not meant to elicit any useful information. Gibson interviewed the President just to interview the President, merely to get another feather for his bonnet.

When readers of this piece watch any mainstream news broadcast, they should ask themselves what of significance they learned that they didn't know beforehand. Much more often than not they will answer, "Nothing"! And if anyone asks why the popularity of the American mainstream press is dropping, that answer should answer the question.

One caveat: don't assume that this piece means that I approve of Mr. Ahmadinejad or Iran's political system. What I disapprove of is dishonest journalism.



## DO HISTORIANS CONTRIBUTE TO THE DECLINE OF NATIONS?

The United States of America did not achieve great status until after the Second World War, and except for that war, it may never have achieved it, for America's achievement was accidental. Because the industrial nations of Europe destroyed themselves in two major wars within thirty years, America, being isolated from the battlefields of both wars, was able to become the arsenal of democracy and the re-builder of Europe's destroyed infrastructure which boosted America's manufacturing powers and economy to heights never seen before in history. Yet America today appears to be in an unprecedented, swift decline which has taken place over a mere half century. If this decline is real, America's stature as a great power will be the shortest in history. So one has to ask, how could this have happened?

The common answers given are its greed, profligacy, immorality, violence, and injustice, and all of these may have played a role. But I doubt that these answers are profound enough, because we can ask, why has America become so greedy, profligate, immoral, violent, and unjust?

We are often told that those who cannot learn from history are doomed to repeat it. But what do historians mainly teach us?

Historians, especially the writers of textbooks used in schools and colleges, tend to emphasize a nation's accomplishments. We read about the great battles, the wars won, the conquests made, and the achievements. We rarely read about the failures, the frauds and deceptions, the injustice, the bigotry, the violence, and the poverty.

Few Americans know, for instance, that most of America's major wars were begun for unjustified reasons. The Mexican War was begun because of a serious over-reaction to a minor, incidental,

incursion of Mexican troops. The Spanish-American War was begun on the unjustified supposition that the Spanish were responsible for the battleship Maine's destruction. The Vietnamese War was escalated because of the fictitious Tonkin-Bay incident. We rarely read these facts in history books.

In Texas, where Texas' History is a required subject, we read about the accomplishments of that small band of Texans who defeated the Mexican army and established the freedom of Texas from Mexico, but we rarely read about what scoundrels that small band of Texans were.

The Americans who, along with Moses Austin, obtained a colonization grant from Mexico never intended to keep the agreements they were a party to. Their intention all along was to take the territory and turn it into another Southern slave-owning state. After achieving independence, Texans joined the Union and seceded from the Union in just 25 years. When we read about these Texan heroes, we rarely read about what agreement-breaking scoundrels they were.

We rarely read about our almost complete genocide of native Americans, about the sweat-shops and industrial accidents that Americans endured, of the violent suppression of labors attempts to be treated with human decency, about Jim Crow and lynchings, and bigotry, about the incessant poverty in the world's most prosperous society.

The consequence is that the peoples of great nations think far too highly of themselves than reality justifies and therefore tend to neglect their faults which fester and expand until they become so overwhelming that the nation collapses in its own dissoluteness. The lessons of history that we need to know if we are not to be doomed to repeat it is not the history commonly taught but the history that is commonly ignored, for only by correcting faults can nations become better.

## EVERYWHERE ARMS RACES

Secretary of State, Hillary Clinton, and President Obama claim that both North Korea and Iran must be prevented from developing nuclear capabilities to prevent arms races in North East Asia and the Near East. Clinton warned that North Korea's refusal to discuss its nuclear program could escalate tensions and provoke an arms race in northeast Asia and that a nuclear-armed Iran is "going to spark an arms race" in the Middle East. And the President said, "It's very important for the world community to speak to countries like Iran and North Korea and encourage them to take a path that does not result in a nuclear arms race in places like the Middle East."

Now it is well known that Americans are not very good at geography. That the Secretary of State and the President fall into this class of ignorant Americans is surprising. So lets look at some geography.

The North East Asian countries in North Korea's proximity are The Russian Federation, Mongolia, China, and Japan. Both the Russian Federation and China have been nuclear powers for many years. Japan enjoys protection from America's nuclear umbrella. That leaves merely Mongolia as the only nation that could still get in the race, yet not a peep has been heard out of Mongolia in objection to North Korea's nuclear development. What kind of race could this possibly be? North Korea comes in last.

A similar situation exists in the Middle East. Seventeen nations exist in Iran's proximity: Afghanistan, Bahrain, India, Iraq, Israel, Jordan, Kuwait, Lebanon, Oman, Pakistan, Qatar, Saudi Arabia, Syria, The United Arab Emirates, Turkey, Turkmenistan, and Yemen. Israel, Pakistan, and India are already nuclear powers. There are conflicts taking place in Iraq, Afghanistan, and Yemen

brought on by the War on Terror. Lebanon has been in political turmoil for decades. That leaves Bahrain, Jordan, Kuwait, Oman, Qatar, Saudi Arabia, Syria, The United Arab Emirates, Turkey, and Turkmenistan. None has been very vocal about Iran's nuclear programs. So again, what kind of race could this possibly be if before you start to run, three runners have already taken the win, place, and show positions?

Clinton's and Obama's claims are difficult to understand. The United States of America began the international nuclear arms race more than sixty years ago. The country has never taken the task of eliminating nuclear weapons seriously. So yes, as ye sow, so shall ye reap! Why should anyone expect otherwise.

## HOW TO MAKE SOLVING PROBLEMS IMPOSSIBLE

Last week President Obama ordered the closing of the detention camp at Guantanamo Bay and numerous obstacles to doing it were quickly brought up. What is to be done with the enemy combatants detained? They can't be transferred to the American legal system to be tried, because the evidence against them was illegally obtained. They can't be released because they would return to their terrorist activities. They can't be sent to other countries because no other country wants to admit them. So if they can't be sent to other countries, transferred to the American legal system, or released, the camp can't be closed. So the order to close the detention camp is effectively nullified.

The American political system has made a practice of making it impossible to solve its social problems. For decades, Americans have unsuccessfully fought a "war on drugs." Why has it failed? To win it, America must secure its borders, a difficult task even with the cooperation of all Americans. The border is huge. But securing it becomes impossible if American self-interest groups oppose it. To win the "war on drugs," the border must be secured, but securing it would prevent American businesses from profiting from the labor of illegal immigrants, and, of course, American politicians don't want to do anything to alienate their commercial supporters. Policy nullified!

Americans want to reduce the cost of medical care and make it available to all residents, but American politicians don't want to diminish the profits of the businesses that run up the costs. Policy nullified!

There is a pattern in these examples. Burden a proposed policy with contradictory goals and the policy can not be effective even if enacted. That's what happens in a two-ideologically-based-party system, and as a result, America has not solved a major

social problem in more than half a century. What better definition of a failed state is there?

The detention camp at Guantanamo Bay can be closed. If Americans can pick up detainees in foreign countries and fly them to Cuba, Americans can fly them back to where they were picked up. Will some of them return to their "terrorist" activities? Of course. What would anyone's attitude toward those who illegally imprisoned and tortured them be? But the number is small, about five hundred. The organizations that are engaged in anti-American actions around the world recruit far more than that number every time American bombs, missiles, and bullets kill ordinary people, especially women and children.

All that is necessary to solve a social problem is to ensure that the policy's goals are consistent.

## ISRAEL - JUST ANOTHER HAPLESS BRITISH COLONY

*“The world would learn of a cruel and imperialistic country stealing from ... needy and naked people.” – Mohammad Mosaddegh*

How incidents and situations are defined largely determines how they are thought of. For instance, consider the trial of George Zimmerman for Travon Martin’s killing which resulted in an acquittal. The prosecution allowed the incident’s start to be defined as the moment Travon confronted George after being followed for some time and distance. Defining the incident that way made it appear that Travon was the aggressor. If, as many believe should have been done, the incident’s start had been defined as the moment George decided to follow Travon even after having been told by the police that that was unnecessary, George would have been made to appear as the aggressor. The trial’s outcome likely would have come out differently.

Apply the same analysis to the West’s, especially Britain’s and America’s, antagonistic relationship with Iran. The West has defined the situation’s start as the moment the Iranians invaded the U.S. Consulate making the Iranians look like aggressors. But the Iranians define the situation’s start as the moment British MI6 and the American CIA instigated the overthrow of the duly elected, democratic government of enormously popular Mohammad Mosaddegh in 1953. The coup imposed an autocratic Shah on Iran who was himself overthrown 26 years later. Defining the situation this way clearly makes the West the aggressor. Now apply the same analysis to the so-called War on Terror.

The West defines the war's start as September 11, 2001 which makes those who hijacked the airplanes the aggressors. But Muslims define the war as having begun much, much earlier. To them, "terrorists" are over here because the West has been over there for a very long time.

In classes on Western Civilization, students are seldom told that it is a predatory culture. The Greeks were constantly at war, if not with the Persians, with each other. Alexander was an early empire builder. So too were the Romans. Portugal and Spain were early predators of the Americas. Then came England, Holland, and France. We are all familiar with the predatory nature of the Vikings. The Italians and Germans tried to colonize Africa. And when these nations were not trying to colonize the world, they were often at war with one another. Western Civilization is bellicose, and it has been at war with Islam at least since the Crusades which began in 1099 when the Holy Roman Empire sent armies to "free the Holy Land from the infidel" and take control of trade routes to the Far East. The invading Christians created several Christian states, and the Muslims in the region vowed to wage holy war (jihad) to regain control. (Sounds familiar, doesn't it?)

(Because of the American educational system's almost total concern with vocational training, most Americans know nothing of the Crusades.)

Near the end of the 13th century, the Mamluk dynasty in Egypt overwhelmed the coastal, Christian stronghold of Acre and drove the European invaders out of Palestine and Syria. Still throughout the 13th century, Crusaders tried to gain ground in the Holy Land



through short-lived raids that proved little more than annoyances to Muslim rulers.

But that wasn't the end of it. In 1798, Napoleon invaded Egypt and Syria. In 1882, Britain made Egypt into a protectorate (which is a fancy name for 'colony.')

In 1919, France again went to war with Syria. In the 1920s, the League of Nations granted Britain and France permission to make Syria a French protectorate and Palestine a British protectorate. Now the West has invaded Iraq and Afghanistan, regularly bombs Pakistan, and seems intent on a war with Iran. For more than ten centuries, the Middle East has suffered under the assaults of Western Europeans! None of the West's efforts has gotten it the hegemony it seeks.

So at the end of the Second World War, the British realized, as the system of protectorates in the Middle East began to unravel, that a different strategy was needed. Not having been able to transplant Western values in the populations of any Middle Eastern country, it became apparent that only another British colony, populated by people of European origin, could ever hope to succeed. Thus the British continued the duplicitous diplomacy of making promises it never intended to keep, concocted a racist Balfour Declaration, and sought to use the Jews of Europe as its colonists to establish a Western style state in Palestine called Israel.

No, you say! But consider this: the Israelis treat Palestinians exactly like the English colonists, wherever they have gone, have treated aborigines. The English have mistreated people wherever they have gone. Don't believe it? Ask an Irishman! The mistreatment of people seems to be a genetic characteristic of the

English who once were slavers to Americans and drug pushers to the Chinese.

But the creation of Israel hasn't worked out too well either. The establishment of the state of Israel is just another chapter in the centuries old war on Islam, and Israel could not have survived without the continuous financial and military support it receives from the West, especially the United States. If the Israelis were historians, they would be wary of that support. The West, especially the United States and Britain, have a history of abandoning allies whenever it suits their own interests. Ask anyone from the string of governments America supported in South Vietnam. Ask Hosni Mubarak. Resuscitate the shah of Iran and ask him. After having been put on Iran's throne by an American and British coup, when he began to exercise some independence he, too, lost American support. Ask Saddam Hussein; he was once an American darling too. America and the West will abandon Israel just as soon as doing so furthers their interests. Rosemary Hollis, Middle East analyst at City University in London has said, "There is a deep-rooted belief . . . that Britain is always up to something, is never passive and always devious." The Israelis should view it that way too.

The Israelis may believe that America's Jews will keep America from abandoning them. The American tobacco industry thought like that too. After more than a century of paying off the Congress, when the mood of the people about tobacco changed, the corrupt Congress had no trouble abandoning the industry whose money it had always been happy to accept.

Israel beware! When the English convinced the members of the United Nations Security Council to create the state of Israel by

partitioning Palestine it did so to promote English national Interests, not because anyone cared for the welfare of Jews. Western Europeans are not and never have never been an especially religious people. Western Civilization has never had an Age of Piety! The scripturally based arguments that support the creation of the state of Israel carry no conviction. Not only will no Hindu, Sikh, or follower of Shinto ever care one bit about what Jewish scripture says, neither will most Christians whose only interest is in the Second Coming, the Rapture, and Armageddon, none of which present Jews with a wholesome outcome. They predict the annihilation of Israel and its Jewish inhabitants. So, as George Bush has seen, the only alternative the Jews of Israel have is conversion to Christianity. One would expect that Zionists would object to being proselytized by Christians, but they do not. They are too cowardly to risk alienating the support of their fundamentalist, Christian "friends."

The world's Christians care no more for the world's Jews than they care about Muslims. These Christians often exhibit no special concern even for the welfare of fellow Christians. Where I live, there are three different Christian churches belonging to the same denomination. Their congregations do not like each other enough to even worship together. Do Israelis really believe the world likes them? Israelis are merely pawns on a gameboard. Their welfare really doesn't matter! Only the Second Coming does.

In a Cato Institutional piece written by Sheldon L. Richman, even America's right wing says, "Beware!"

After 70 years of broken Western promises . . . it should not be surprising that the West is viewed with suspicion and hostility by the populations (as opposed to some of the political regimes) of

the Middle East. The United States, as the heir to British imperialism in the region, has been a frequent object of suspicion. Since the end of World War II, the United States, like the European colonial powers before it, has been unable to resist becoming entangled in the region's political conflicts. Driven by a desire to keep the vast oil reserves in hands friendly to the United States . . . the United States has compiled a record of tragedy in the Middle East.

Richman continued by writing that in 1979, President Jimmy Carter dismissed reminders of America's long intervention as "ancient history." Carter implied that there was nothing of value to be learned from that history. In his view, dredging up old matters was dangerous, because it exposed skeletons in the closets of Western nations they wanted to keep hidden. So to raise historical issues was unpatriotic. But hiding or denying the evil done in the past does not absolve the guilt.

When Israel is seen as an English colony, England has to be seen as primarily responsible for all of the horrors committed by its "colonists." In fact, England and France must be seen as primarily responsible for the horrors committed by all the West in the Middle East at least since 1857, the end of the Anglo-Persian war. The United States became complicit when it inherited the imperialist policies of Western Europe.

The only national interests any Western nation has in the Middle East are imperialist interests. That's why no Western diplomat who uses the phrase "national interests" ever tells anyone what specific interests are being referred to and it's also why no Western nation ever refers to the national interests other nations might have in the West. Non-imperialist nations have no national

interests beyond their borders. Only imperialist nations do. So any diplomat who claims to be protecting “national interests” is nothing but a plundering imperialist.

## JOURNALISM AND WARS--WORLD WAR II AND IRAQ

Oh, Steve, blow off! Comparing the coverage of WW2 to the coverage of the current war in Iraq can be likened to comparing an elephant to a gnat. I was old enough to read newspapers during WW2, so I don't need to go into the archives to read a few days coverage.

First, WW2 always was front page news, not buried somewhere on back pages, and the articles were extensive, not just a few column inches long.

Second, in the current war in Iraq, heroism is difficult to identify because, by calling everyone serving there an American Hero, we have stripped the word of all of its content. Although, being a veteran of the Korean war, I am sure there are true heroes, there is no way to distinguish them from the ordinary.

Third, building an uncounted number of schoolhouses can't be compared to a monthly shipbuilding record during WW2. Compared to a ship, a schoolhouse is a puny construction. Furthermore, many of these newly constructed schoolhouses have since been destroyed. So much for wasted effort.

Fourth, bombing civilian domiciles in Fallujah or any other Iraqi city, even if such raids successfully kill a number of insurgents, isn't comparable to a successful air strike on a New Guinea airfield.

Fifth, during WW2, correspondents went where and reported on what they wanted to. They were not embedded in American units under the control of the Pentagon. Today's correspondents in Iraq see only what the Army wants them to see, and whenever something horrific is seen, as does happen on occasion, it is seen by happenstance.

Sixth, there is a world of difference between the news received from WW2 correspondents and what we hear from the generals

interviewed on the Sunday morning talk shows, who hew the official line and are well known for dissimulation.

Lastly, the only way Americans have of getting the truth about the war in Iraq is to read the blogs written by Iraqis living in Baghdad, Basrah, Mosul, and other places. You ought to try it. On second thought, don't waste your time; your newspaper wont publish it.

## JUSTIFYING THE WAR IN IRAQ

Please, Mr. Editor, please! tell me what a war with Iraq is meant to accomplish?

But before you give me some glib answer, consider carefully the war in Afghanistan.

The scenario as I remember it went like this:

Members of al-Qaeda, whose leader, Osama bin Laden, was in Afghanistan whose de facto government was the Taliban, took down the World Trade Center in New York. America then gave that government an ultimatum--surrender Mr. bin Laden or else! The Taliban said, Or else. So America spent billions killing Afghans, used billion dollar a piece smart bombs and missiles to pulverize mud huts, placed notoriously undemocratic war lords in power, and declared victory. But Osama bin Laden got away.

Then the claim became, we seriously disrupted the activities of al-Qaeda! But nobody, not even the American government believes it, for if that claim were true, our fear of terrorism should have been lessened rather than heightened. So measured by the stated objectives, the war in Afghanistan accomplished nothing whatsoever.

Now the American government and your editorial opinion advocate engaging in the same kind of effort again. Why? I defy you to make sense of this.

But if you answer, don't provide platitudes such as weve made life better for the Afghans or the world safer for democracy. It's way too early to make the former claim, and the latter has been uttered falsely too many times since the Great War which was, after all, the war to end all wars.



## KILLER COUNTRY

Oh, the wailing, weeping, and gnashing of teeth over last week's killings at Fort Hood! It's a tragic instance of what Americans call an "isolated" event that happens almost daily.

The very next day, Jason Rodriguez walked into an office building in Florida, killed one and wounded several.

Gunfire erupted inside a bar near the ski town of Vail, CO Saturday night, leaving one man dead and three others wounded.

In Cleveland, TX, authorities called to check a rural southeast Texas home found the bodies of four people who had been shot to death.

A British tourist, Thomas Reeve, 28, was killed when a man entered a bar in Amarillo, TX, and opened fire.

More than ten bodies have been found in the home of a rapist in Cleveland, OH.

Authorities in Reading, PA say a Maryland man is dead after a weekend shooting at an illegal bar that also injured six people.

Three people including a young child are dead and six were injured in a drive-by shooting in Walterboro, SC.

A son of Washington state's lieutenant governor has been wounded in a workplace shooting in Kent, WA.

All of these "isolated" incidents took place in less than a week. America is a killing field! It has been for a very long time. "Killeen, TX, in 1991 is watching a replay of the spotlight shone on it when a man entered a cafeteria and fatally shot 22 diners." In America, children kill children (Columbine), children kill their parents, parents kill their children and each other, strangers kidnap and kill children, strangers kill strangers, agents of the government kill citizens (Kent State, Waco), college students kill fellow students (VA Tech), former employees kill those they worked with, anti-abortionists kill abortionists, police called upon to help the mentally ill and otherwise challenged often end up killing them, soldiers often kill fellow soldiers and civilians. Nothing about any of this is unusual. It happens every day. If John Dos Passos were alive today, he would be reissuing U.S.A. in multiple volumes!

So why all the wailing about the shootings at Fort Hood? Perhaps it's the fact that an officer killed enlisted men? That's unusual; it's usually the other way around. Perhaps it's the shooter's name and religion? Is the hoopla all about drumming up anti-Islamic attitudes? Is it part of the war on Islam? Oh, sorry, the war on terror?

I don't know the answer, but I do know that there is nothing unusual about this event. Americans are driven to killing. We are entertained by it in movies and on television. Our children are enticed into playing killing computer-games. And we are often stressed to the breaking point. The lawyer for the shooter in the Orlando office attack has said, "This guy is a compilation of the front page of the entire year's unemployment, foreclosure, bankruptcy, divorces and all of the stresses. It looks like a classic case of stress overload." America is filled with well-armed people who are led to react like cornered animals.

These events are not surprising. What is surprising is who gets killed. While with a group of colleagues on break some time ago, someone said, "Americans kill a lot of people. Unfortunately they kill the wrong ones." Historically, the oppressed have killed their oppressors, the French in the French Revolution, the Russians in the Revolution of 1917, the Irish Republican Army in Northern Ireland, the Baader-Meinhof Group in Germany, the Red Brigade in Japan, the Tamils of Sri Lanka, the Moslem fighters killing NATO forces in Iraq, Afghanistan, and now Pakistan, the Moro Islamic Liberation Front in the Philippines. But not in America, at least not yet. In America, the oppressed kill each other. Strange! How long will it last?

American politicians claim that America is the free-world's leader. But what other country would want to follow America down this road? (Perhaps the stupid British from whom we acquired the roots of this vulture's - oops! - culture.) It is noteworthy that since 1789, approximately 70 nations have become democratic, but not a single one has copied the American model. Whom are we leading where? Perhaps only ourselves to perdition.

## KILLING YOUR OWN PEOPLE

The American government often claims that its incursions into countries in the Middle East and elsewhere are carried out in order to protect the lives of Americans. Apparently people believe it; I have not heard anyone attempt to confute it. But consider this scenario: A person in a public place in Erie, Pa. starts shooting at people randomly. A police officer kills him before anyone else is injured. That officer can be said to have protected the lives of the other people in the area, but he cannot be said to have protected the lives of people in San Francisco. Likewise, a soldier in Iraq who kills an enemy combatant can be said to have protected the lives of his comrades but cannot be said to have protected the lives of Americans living thousands of miles away. It's simply not possible.

But the claim that the soldier is protecting the lives of Americans in general can be made. People in general are not real however. Making sense of that claim is difficult. But suppose that this claim makes sense and consider some of the groups of Americans whose lives would be protected by those incursions.

Consider the undernourished children who go to bed hungry every night. Consider the elderly who can't afford both food and medicine. Consider the homeless, those who lack access to medical care, the unemployed whose benefits have expired. These are America's neglected. They die prematurely. So if their lives are being protected by the soldier in Iraq, he's protecting those the government is neglecting. The government, by not providing their basic needs, is slowly killing them, and they are the American government's own people. The claim that America's incursions in other countries protects Americans amounts to claiming that the lives of those being killed by neglect are being

protected by the killing of enemy combatants in far off nations. That claim is patently absurd.

But killing people by neglect is not the same as killing people with sarin gas. Well perhaps, but the difference is not great.

USA Today recently reported that London's toxic air pollution is killing thousands every year. Is Great Britain gassing its own people to death? Isn't polluted air a poisonous gas? Isn't it just like sarin? And isn't Great Britain, by neglecting to provide its people with clean air, deliberately killing them? Isn't governmental neglect a deliberate act?

Numerous ways of killing people exist. Are some more acceptable than others? Imagine asking a person killed by a bullet rather than gas if he is grateful to his killer for having done that. Do you suppose that he would thank his killer for having been humane? Would he say, "Thanks for killing me with a gun rather than with gas?" Get serious people! To the dead, no way of killing is more abhorrent than another.

I doubt that any society has ever existed that didn't kill its own people in some way or other. None will ever exist as long as people are viewed as means to some non human end. War has never been fought to protect anyone's life. When considered as fodder-factory, farm, or cannon-people's lives will continue to be "harvested" for God, country, profit, or even pleasure. Such is the nature of mankind as we have known it.

## LYING IN AMERICA

That you find it improbable and risky that Bush could have merely lied about Iraq's WMD reveals a grossly naive misunderstanding of American culture.

Go to any American home any evening of any week, watch television, and count the number of false, unjustifiable, or misleading statements you hear broadcast. (Take a mechanical counter!) Compare the campaign promises made by any politician with his actions after being elected. Performing these acts will reveal just how pervasive lying is in the American culture. Lying may very well be the defining characteristic of American society.

Even more importantly, you disregard the United States of America's long history of going to war on trumped up pretexts. The two most egregious examples of which are the Spanish American War, which was justified by the erroneous assumption that the Spanish blew up the Maine, and the attack on North Vietnam, which was justified by the infamously fictitious Tonkin Bay Incident.

But there have been numerous others. No one has even bothered to count the number of so called Indian Wars fought on some pretext in order to move native Americans off lands the American government ceded to them in treaties. What about the numerous incursions into Latin America? And Grenada! Remember Grenada? Oh, that was a noble war.

Had you taken any of this into consideration, I doubt that you would have found the B-B Brothers claims about Iraq's WMD nearly as persuasive as you did.

## MOTHER RUSSIA: AN ELUSIVE PRIZE

Pyotr Ilyich Tchaikovsky 's 1812 overture should be a constant reminder of what happens to those who have designs on Mother Russia. After defeating Tsarist armies in closely fought battles, Napoleon reached Moscow. Instead of surrendering, the Russians burned it down! Napoleon achieved no victory.

This Patriotic War of 1812 began on June 24 when Napoleon's Grande Armée crossed the Neman River. The official political excuse for the war was the elimination of the Russian threat to Poland.

Napoleon even named the campaign the Second Polish War to curry favor with the Poles and provide a political pretense for his actions. So, you see, Napoleon, too, carried a false flag in his knapsack. Politicians everywhere have no qualms about lying to cloak their true motives; they are all cut from the same cloth.

Now Americans and their Western allies want to save Ukraine from those same Russians. Don't you believe it. Ukrainians have been living with and beside Russians since the 9th century. Not only have they survived, they've maintained their identity very well. What the West really wants is something else, something else indeed!

In the Middle Ages, the Kievan Rus' became the center of East Slavic culture. It gave birth to both Russia and the Ukraine. But by the 13th century, the geographical part of Eastern Europe called Ukraine was divided and ruled by a variety of Western nations. A Ukrainian Cossack republic emerged during the 17th

century, but otherwise the Ukraine remained divided until the Soviet Union consolidated it into a Soviet Republic in the 20th century. It only became an independent nation in 1991.

To illustrate how confused things in Eastern Europe got, my parents emigrated separately from there in the decade that preceded The Great War. They called themselves Ukrainians; they spoke Ukrainian; they carried on Ukrainian traditions; they regularly attended an Eastern Rite Orthodox church. Two more Ukrainian people could not have been found. But! Neither of them ever lived in a country named Ukraine. Thousands of Ukrainians were just like them. Моя Україна (my Ukraine) was a mythical place.

Zbigniew Brzezinski's well known Polish family hailed from Brzezany in Galicia in the Tarnopol region of Poland (now Ukraine). Zbigniew, along with his parents, emigrated to Canada from Galicia, the very region my parents emigrated from. But for the generational difference, they and the Brzezinskis could have been neighbors. Poles and Ukrainians living side by side! But my parents never called themselves Polish even though they were governed by Poland.

So when Arseniy Yatsenyuk says, "This is our land, Our fathers and grandfathers have spilled their blood for this land, and we won't budge a single centimeter from Ukrainian land," he's blowing smoke. Much of the spilt blood was Russian.

The Ukrainians did not and could not have defeated the Germans in WWII. As a matter of fact, many fought on the side of Germany. So you see, the situation in Ukraine is very complicated, which makes the current events there very



complicated too. Only fools and politicians describe them in simple terms.

There is about as much unity in Ukraine as there is in The American Republican Party. Dissent is rampant. To say that Ukrainians want this or that is pure nonsense. The country is home to 44.6 million people, 77% of whom are ethnic Ukrainians, 17% are ethnic Russians, and 6% are descendents of various other nationalities-Belarusians, Tatars, Romanians, Lithuanians, Poles, and others. And the Ukrainian opposition that caused President Viktor Yanukovich to flee consists of various groups that are by no means of one mind.

The pro-Russian Eastern Ukrainians can demonstrate just as easily as the anti-Russian Western Ukrainians did. An Egyptian scenario might very well ensue. A street revolution, an election, an unhappy losing opposition, more demonstrations, and finally a military intervention may be the ultimate result. Or Ukraine may be dismembered as it has been so many times in history. That is not what many of those who demonstrated in Kiev want.

"We want to change the system, not just the president," says Vitaliy Vygupaev, an auto mechanic and protest leader. "When we choose the president and change the system, we'll leave."

But that may not be possible. Ukraine has a problem it shares with many countries including the United States. Its Constitution allows the political system to become corrupted. That system is what created the problems and it is not likely to change.

Faulty economic policy, unwillingness to reform, and endemic corruption have destabilized the country. The currency, the

Hryvnia, was fixed at 8:1 to the Dollar; now it trades at about ten. The government recently issued short-term debt at interest rates as high as 15%; its bonds have done poorly, and many investors are worried that Ukraine will soon default. Ukrainians hoping for a bailout will be shocked by the austerity any bailout will require. The European Union will treat the Ukrainians exactly as the Greeks were treated. Ukrainians may even have to begin singing Porgy and Bess' nobody knows our sorrow.

Not only will they yield the pound of flesh demanded by any bailout, they will shed the blood spilt in its taking. The resolution of this economic problem will take many years. The Western concern is the repayment of Ukraine's sovereign debt, and to insure that, the EU must control Ukraine's economy as it controls the economies of Greece, Portugal, Italy, and Spain.

That's the economic problem, and except for Russia's owning some of Ukraine's sovereign debt, Russia has nothing to do with it. The Western world's political dispute with Russia is something else.

The West, especially Western Europe, has had its eye on Russia at least since the 1700s when it was invaded by Charles XII of Sweden. The invasion began with Charles' crossing of the Vistula on January 1, 1708 and effectively ended with the Swedish defeat in the Battle of Poltava on July 8, 1709 though Charles continued to pose a military threat to Russia for several years while under the protection of the Ottoman Turks. There, Charles persuaded Sultan Ahmed III to declare war on Russia. Backed by a Turkish army, Charles led the Turks into the Russo-Turkish War (1710-1711), but before he could engage in battle, Peter the Great bribed

the Turks into ending the war. Charles' ambitions to conquer Russia were over.

As noted earlier, Napoleon invaded Russia in 1812. The Russian revolution brought the Union of Soviet Socialist Republics into existence in November 1917. The West intervened with a multinational military force, an incipient NATO, in 1918. The stated goals were to help the Czechoslovakian Legions, secure supplies in Russian ports, and re-establish the Eastern front. But after winning the war in Western Europe, the allied powers militarily supported the anti-revolutionary forces hoping to reinstall Nicholas II to Russia's autocratic throne. The great defenders of democracy fought for an autocrat! Somehow or other, that doesn't sound right. The word 'democracy' does not go well with the word 'autocrat.' The Bolsheviks claimed correctly that their enemies were backed by Western capitalists.

A lack of public support and a deteriorating situation compelled the allies to withdraw in 1920. Mother Russia again had defeated a foreign invasion. The flags flown were proven to be false by the passage of time. The Western allies continued to fight on the side of the Tsarist forces for two years after the Great War ended and the Czechoslovakian Legions had withdrawn.

Then in June, 1941, German forces invaded the Soviet Union. Until the fall of 1942, the German army consistently prevailed. Europe had been conquered. The Germans reached Stalingrad. It proved to be the war's turning point. The Battle of Stalingrad lasted six months, from August 23, 1942 to February 2, 1943 when the German 6th army surrendered.

From then on, the Soviet army remained on the offensive, liberating most of the Ukraine, and virtually all of Russia and eastern Belorussia during 1943. In the battle of Kursk in 1943, the Germans were badly beaten again. The Soviets then liberated the rest of Belorussia and the Ukraine, most of the Baltic states, and eastern Poland. The war was effectively over. Another Western attempt to conquer Russia had failed. Had it not been for the Russians, the French and English would today be singing "Deutschland, Deutschland über alles."

Yet the West's persistence is unreal. Not having learned that those who dismiss history are doomed to repeat it, the West marches on. Immediately after the end of the Second World War, the United States began a strategy of global containment, extending military and financial aid to the countries of Western Europe, supporting the anti-Communist side in the Greek Civil War, and creating NATO.

Although by the 1970s, both sides expressed a desire to create more friendly relations, the United States organized, trained, and armed the American Mujahideen in Afghanistan to combat the Russians and the Russian backed Communist government. This was just one of many proxy wars fought between the two nations beginning with Korea. Western antagonism never ceased during this period. Although not explicitly American wars, they were fought mainly by Americans.

The American Mujahideen succeeded in expelling the Russians from Afghanistan, but the proxy wars fought in Korea, Vietnam, Iraq, and in Afghanistan when the Mujahideen turned on their American benefactors were largely failures. In the 1980s, the

United States increased diplomatic, military, and economic pressures.

The USSR was suffering from economic stagnation. Mikhail Gorbachev introduced liberalizing reforms. In 1989, revolutions peacefully overthrew all of the Communist regimes of Central and Eastern Europe. The Communist Party of the Soviet Union itself was banned. This in turn led to the formal dissolution of the USSR in December 1991. It seemed that the West had won. But Mother Russia still existed, and the West still persisted.

The European Union launched what it calls "an initiative" concerning its relationship with the post-Soviet states of Eastern Europe called the Eastern Partnership on May 7, 2009. The EU claims the Partnership is intended to provide a venue for discussions of trade, economic strategy, travel agreements, and other issues between the EU and its eastern neighbors.

Since the Eastern Partnership was inaugurated, however, critical academic research has become available. Findings note both conceptual and physical problems. Firstly, the EU has scanty ideas about what it is trying to promote. The conceptions of 'shared values,' 'collective norms,' and 'joint ownership' are too imprecise to convey any real intentions. Secondly, the EU seems to favor a 'top-down' approach which is clearly inconsistent with the idea of voluntary partnership and explicitly limits the input of the partnering states which clearly means that anything agreed to will favor the EU. To the EU, the six Post-Soviet states have "strategic importance." That phrase usually has military implications.

The EU draft states, "Shared values including democracy, the rule of law, and respect for human rights will be at its core, as well as the principles of market economy, sustainable development, and good governance." Apart from values, the declaration says the EU has an "interest in developing an increasingly close relationship with its Eastern partners. . . ." But the inclusion of Belarus in the partnership raises the question of whether values or geopolitics are paramount. EU diplomats agree that the country's authoritarian president, Alexander Lukashenko, has done little to merit inclusion but the EU fears that Russia will strengthen its grip Belarus if it is left out. So it is really Russia's grip that the EU is concerned about.

When Ukrainian President Viktor Yanukovich decided not to sign an agreement with the EU, demonstrations broke out in Kiev that ultimately forced him to flee. Within days, Russia took control of the Crimea. Russia had to do something to protect its political control over its only warm water naval base located at Sevastopol.

The Crimea itself was ceded to the Ukrainian Soviet Socialist Republic only on February 19, 1954 as a "symbolic gesture" to commentate the 300th anniversary of Ukraine's becoming a part of the Russian Empire. President Obama called Russia's action a 'provocation' and threatened consequences and costs.

But just think a moment about the word 'provocation.' If someone is dumping trash on my neighbor's property, I would be justified in being provoked. But a person living five miles across town would not. Washington is half a world East of the Crimea; Russia neighbors it. What justification has someone in Washington or even in the EU for being provoked? The real provocation was the

EU's Eastern Partnership and its overtures to Ukraine. Russia's action stopped the EU from cooking the stew.

This more than three hundred years of animosity the West has had for Russia is hard to find any justification for. Except for some minor border wars, Russia has never attacked a Western nation. Western Civilization, however, has always been belligerent. Certainly since, and perhaps before, Alexander the Great, Western nations have been empire mad. Rome, England, France, Spain, Portugal, the Netherlands, Italy, Austria, Sweden, and Germany have all sought empires.

The history of Western Civilization is a history of war. This empire madness has not made life better for ordinary people. Not ever! No English commoner gained much from the empire on which the sun never set. And one by one, those empires expired. Western nations control less of the world's territory today than they did in 1939. To set out to conquer an empire is to chase a chimera!

This anti-Russianism has all the characteristics of a racial prejudice. It is just like anti-Semitism. The entire Jewish race was absurdly and collectively condemned for the death of Christ. Not even a similar fiction exists to justify anti-Russianism. Anti-Semitism is a product of Western Civilization; it is a Western European concept; it resulted in the slaughter of some six million Jews. Will Mr. Cameron and Mrs. Merkel be happy to see anti-Russianism result in the slaughter of six million Russians? It's certainly possible.

UN member states number 193. The Vatican and Palestine have observer status. The United States has deployed troops in more

that 150 of them. Russia has deployed troops in three or four of its border states. Russia has one warm water naval base. The United States has several, one of which is in Diego Garcia. Why in Diego Garcia? Diego Garcia is in the middle of the Indian Ocean! The United States Navy operates a Naval Support Facility, a large naval ship and submarine support base, a military air base, a communications and space-tracking facility, and an anchorage for pre-positioned military supplies for regional operations aboard Military Sealift Command ships.

Between 1968 and 1973, the native Chagossians were forcibly resettled by the British government to Mauritius and the Seychelles to allow the United States to establish the base. Today, the exiled Chagossians are still trying to return, claiming that the forced expulsion was illegal. Does anyone really believe that the base exists for some benign purpose? Is anyone really that dumb? Claiming that Russia is out to rule the world is merely a case of pots calling the kettle black.

No one knows what the outcome of this current international imbroglio will. I doubt that anyone wants to start another war. But if not now, someday someone will call the West's bluff, the result of which no one can predict. Killing is not the way to make friends and influence people. Providing for their needs is. Things would be different if Western Civilization had become Shangri-La. But it hasn't! For a few, it has provided 'the good life,' for most, it has provided little. But poor people are eternally hopeful.

The peoples of Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine are easily seduced by Western powers that offer bread and promises of butter. But these peoples need to look at Greece, Italy, Portugal, and Spain. When they do, they will see



that the European Union has provided little bread for the peoples of these member countries.

The financiers and merchants of the West care nothing for people or nations. Jefferson knew it when he said that merchants have no country. The Western nations don't care how Ukrainians fare. They don't care how their own peoples fare.

The United States, the world's richest nation, cannot house, feed, or medicate its homeless, unemployed, or sick. Why does anyone believe that it will house, feed, and medicate Ukrainians? Chimeras can't be roasted on a spit! The West wants only Ukrainian flesh, blood, and wealth. You don't believe it? Well remember this: the Elgin Marbles, sculpted in Greece to be hung on the Parthenon, are now to be found in the British Museum.

Balzac is credited with saying, "Behind every great fortune lies a great crime." The Western world does make great fortunes for a very few. Western Civilization is a very great crime! We are all guilty for endorsing it.

## NEO-NAPOLEONIC WAR

Ever since mankind emerged from the evolutionary stream, human life has been characterized by conquest, plunder, exploitation, slavery, and killing. Genghis Khan and Attila the Hun lived it. The Babylonians and Jews lived it. The Norse and the Swedes lived it. The Greeks and Persians lived it. The Romans and Carthaginians lived it. The Spanish and Portuguese lived it. So did the Dutch and the French and the English. Maybe all tribes have lived it. Human beings are still living it today. Conquest, plunder, exploitation, slavery, and homicide make up the human condition. Human beings comprise a violent bunch! Kindness has never been a common practice in human tribes.

One after another, tribes have picked up the sword to fulfill their desires to take what they wanted from others. They have lived and died by it. They are attempting to live by it and are dying by it today. In spite of everything, nothing fundamental really changes.

In fact, things have gotten worse. This mayhem has historically been carried on by tribes, but since 1789, its character has been expanded. In 1789, the French revolted. In the ensuing decade, they overthrew the monarchy. They also beheaded lots of people, especially "aristocrats." These beheadings sent a shiver of fear throughout the European aristocracy. Just like the United States has done today, those aristocrats formed an alliance of European monarchies to oppose the revolution and restore the monarchy. It took a long time, but in fifty years it was over. Napoleon, the defender of the revolution, had been defeated, the monarchy was restored and then abolished again, and the Second Republic was formed. Some thought the Second Republic was a restoration of

the revolution, but in reality, it was a restoration of the *ancien regime* in a different guise. France had become a conventional pseudo "democracy" with hegemonic goals of its own, a characteristic it has maintained. The reactionaries had won. Europe's aristocracy no longer feared the revolution.

The wars against France and the revolution were very much like the incessant wars today, except today's wars are against changes taking place in the Arab world, the Arab world that was organized by the English and French after the First World War. In 1916 it was the Sykes-Picot Agreement. Today that arrangement is coming apart and the same Western European aristocracy in addition to the United States of America is desperately trying to reestablish it. In 1789, it was Napoleon and the French. Today it is Abu Bakr al-Baghdadi and ISIL. The West wants its Middle Eastern conquests back so it can continue its exploitation.

Since 1830, the West's agenda has been "no more French revolutions, not anywhere." The progress of people to extract themselves from tyranny must be stopped; it cannot be tolerated. The world belongs to the Western money grubbing aristocracy. So the Arab Spring has been converted into Winter, the color revolutions have all turned gray, Latin America must always be the United States' back yard, Africa, England and France's. Progress must never be permitted; regress must always prevail. The only difference between today and Europe in 1800 is that in 1800 monarch's were in charge; today non-governmental organizations are. The bankers have taken over. Organizations like the Council on Foreign Relations and the Bilderbergers took charge when they realized that enough money could buy anything including governments. Elected governments are now the tails the wealthy dogs wag.

## NOBEL? THAT'S NO PRIZE

How people can so easily be taken by so-called honors has always puzzled me. The press regularly touts Pulitzers, for instance, but why? Joseph Pulitzer was not interested in truthful journalism. After purchasing the New York World, he changed it to focus on human-interest stories, scandal, and sensationalism. Excellent journalism was never a priority of his, and the prizes reflect it. So does the mainstream press which is yellower than ever in both the conventional journalistic sense and the colloquial sense of cowardly.

Even worse, however, are the Nobels. Alfred Nobel established the prizes in his will after having been called a "merchant of death" by a French newspaper. Although mostly remembered today as the inventor of dynamite, Nobel was mainly an arms manufacturer. Apparently he established the prizes to assuage his guilt, which is reminiscent of the Emperor Constantine's conversion to Christianity on his deathbed in hopes of escaping eternal punishment for his many horrid deeds.

And the prizes have not been distinguished. Nobels are political prizes. They are almost always given to those committed to Western civilization and Capitalism. When given to non-westerners, the recipients are always those who are critical of the non-western civilizations they live or lived in. From the Nobel Committee's point of view, nothing is prize worthy that isn't Western.

Most of the economics prizes have gone to conventional American economists, and look at the mess they have gotten the world-wide economy in. And the Peace Prize recipients are a study in themselves. Arafat, Peres, Rabin, Wiesel, Sadat, Begin, Kissinger, Chamberlain all received it. If you survey the complete list of ninety recipients, you will not even recognize most of the

names. If anything distinguishes these people, it is their failure to produce peace. In fact Alfred Nobel didn't even call it a peace prize: "the fifth prize is to be given to the person or society that renders the greatest service to the cause of international fraternity, in the suppression or reduction of standing armies, or in the establishment or furtherance of peace congresses [emphasis mine]." The attainment of peace is not one of the criteria. Mother Teresa received the prize; she had nothing whatsoever to do with war and peace.

So now Obama has gotten the prize. Big deal! Why was it awarded to him? Because he, like all Western diplomats, talks the talk but doesn't walk the walk. He talks change but implements none. He appointed people with deep ties to the banking industry to the treasury who then bailed out the bankers and protected their bonuses. When the treasury bailed out the auto industry, it reduced the wages and benefits of workers. He reappointed a Bush holdover to Secretary of Defense (read perpetual war) and is in the process of expanding the war in Afghanistan and extending it into Pakistan. He continues America's unqualified support for Israel which is the main destabilizing circumstance in the Middle East. His healthcare reform has turned into an insurance industry, medical provider, and pharmaceutical company income enhancement bill. He is a protector of the economic status quo and a hegemonist: a true child of a decadent civilization, exactly what the Nobel Committee looks for. The deadly arms manufacturer would be highly pleased.

## ON OUR NATIONAL INTEREST

American diplomats, commentators, and sundry other people are always invoking our national interest is talking about American foreign policy, and oddly enough, most people seem to believe that that abstract phrase has some real meaning. But the phrase is meaningless unless exactly what the national interest is is specified. Yesterday, on CNN, Senator Lindsey Graham, claimed that we need to continue the war in Iraq because it is in our national interest to have a Middle East whose governments are friendly to the United States.

Well, how-de-do! Of course it is in our national interest to have every country in the world friendly to the United States, regardless of whether such friendship is also in the other countries' national interest's. Of course, creating that world is impossible.

When a bull enters a china shop and begins destroying the china, one does not leave the bull there and attempt to talk him out of his destructive ways. The first task, if the china is to be preserved, is to get the bull out of the shop. America and its coalition partners are the bull in the china shop, and Iraq is the shop.

Will the violence cease if the coalition pulls out? Perhaps not. But it is unlikely to cease if they stay either.

Furthermore, there is a false assumption in the policy of staying the course. We are assuming that even if some modicum of security is attained and the Iraqi government and its policies will continue to be favorable to Western aims. History provides no assurance of that. How many governments unfavorable to the national interest of the United States have we had a hand in overthrowing? How many still exist today that are favorable to our national interests?

We have had a policy of maligning countries whose governments we disapprove of. Look at Iran. In 1953 we had a hand in overthrowing its duly elected democratic government and installing a virtual dictatorship of the Shah of Iran. His government lasted until 1979. When it fell, this coup earned the United States in particular and the Western powers in general the lasting antagonism of Iranians. Countries do change their governments, especially those imposed by outside powers. Why should anyone believe that the Iraqis won't undo the constitution we have imposed upon them just as soon, or soon after, we leave? We are staying the course for a victory that is a chimera! Even if we win, the victory won't last.

Now again, we are trying to blame Iran for our continued problems in Iraq. They are said to be supplying weapons to the Shia in Iraq, the Taliban in Afghanistan, and only the state department knows who else. Why would anyone expect them not to? If Hezbollah had invaded Mexico, wouldn't we be supplying arms to any Mexican resistance? Why should we expect a nation whose government we once overthrew and that we call part of an axis of evil to concern itself with our wishes?

Recently, when some British sailors were apprehended by the Iranians, and the British felt trod upon, couldn't the Iranians have asked, how far from here is Great Britain?, are there any Iranian ships off British shores?, and what are you British doing here anyway?

If these questions had been asked and the British had replied with "because it is in our national interest to make the Middle East conform to our wishes," wouldn't the non-western world have broken out in laughter?

No nation can have a national interest in the affairs of another country that goes against that nation's own national interest and

expect the world to merely acquiesce. Such is the road to incessant conflict.



## PROMOTING DEMOCRACY TO MAKE THE WORLD SAFER

The President, as he stated in the State of the Union address, wants to commit America to a policy of promoting democracy throughout the world, an extension of the latest justification for the war in Iraq. His view is that a more democratic world would be more peaceful and secure. What kind of historical studies he bases this belief on are unknown. Perhaps he thinks that such studies are unnecessary.

What he and others fail to realize, however, is that the founders of this nation considered that question? Opponents of the Constitution were of the opinion that union was unnecessary, but others thought that disunion would lead to conflicts between the colonies. So Hamilton addressed the subject in Federalist Number Six.

He asks, "Have republics in practice been less addicted to war than monarchies?" And then goes on with this: "Sparta, Athens, Rome, and Carthage were all republics. . . . Yet they were as often engaged in wars, offensive and defensive, as the neighboring monarchies of the same times. . . . Carthage, though a commercial republic, was the aggressor in the very war that ended in her destruction. . . . Venice, in later times, figured more than once in wars of ambition. . . . The provinces of Holland, till they were overwhelmed in debts and taxes, took a leading and conspicuous part in the wars of Europe. . . . In the government of Britain the representatives of the people compose one branch of the national legislature. . . . Few nations, nevertheless, have been more frequently engaged in war. . . . There have been, if I may so express it, almost as many popular as royal wars . . . sometime contrary to the real interests of the state." Some historian, perhaps, can provide a more recent list than that provided by Hamilton.

Of course, it is unreasonable for us to expect a president to be a scholar, but I find it odd that our political leaders do not seem to even be conversant with the history of the founding of this nation and the writing of the Constitution. Isn't it somewhat shameful to have to admit that our leaders today even those with degrees from some of our most prestigious universities are less educated than the founders of this nation were more than two hundred years ago? Perhaps the President should take two statements from the quotation above to heart: Carthage was the aggressor in the very war that ended in her destruction, and Holland, till they were overwhelmed in debts and taxes, took a leading and conspicuous part in the wars of Europe. Some would argue that America is already in danger of being overwhelmed in debts and taxes. And that, of course, is one way of destroying the nation.

## RETRIBUTIVE WARFARE: MISTAKING KILLING AND REVENGE FOR JUSTICE

Much is being written both for and against America's use of drones to assassinate those whom Americans consider to be anti-American combatants. Although there is no doubt on which side the moral arguments lie, what's being written strikes me as nugatory. Pious platitudes, legalistic niceties, and sophistical rationalizations appear to be written by the guilty to convince themselves that they are not the people evil to the marrow that they are, and the dying and the dead couldn't care less. To them, being killed by a bullet or a bomb fired from an AK-47 or a drone makes no difference whatsoever. Dead is dead. Death cannot be sanitized by pronouncements.

The so called advantages of using drones to kill are undeniable; so are the disadvantages. Arguing about these is futile. The fundamental question is not about the advantages or disadvantages of the means, it is about the rightness or wrongness of the end. In the end, what good does killing do?

Although no one seems to have noted it, I find it interesting that so many of Al-Qaeda's "senior commanders" were killed by drones while Osama bin Laden, once located and identified, was not. Why? Was it because killing by drone is too unreliable to be trusted for the task? In fact, killing from the air is always unreliable. During World War II, American pilots often mistakenly attacked American instead of German positions. In *Paths of death and glory*, Charles Whiting quoted people as having said, "American pilots are idiots."

This has happened so often that maybe the US should rethink the whole 'flying' thing. Obviously they can't do it worth a damn," and the American Ninth Air Force, which flew out of England, was nicknamed the American Luftwaffe because it regularly mistakenly bombed American troops in Normandy. Just imagine the propaganda catastrophe that would have resulted if a drone had been used and missed or killed bin Laden's wives and children but not him. The entire rationale for the drone program would have been shattered. So as good as drones are, there were not good enough for Osama bin Laden.

Air weapons, as the Germans refer to them, have always been oversold. Their effectiveness has never been established. The military impact of air raids has been the subject of decades of controversy. In World War II, RAF Bomber Command destroyed a significant portion of Nazi Germany's industry, many German cities including Cologne and Dresden, and caused the deaths of up to 600,000 civilians. The stated aim of the offensive was to break the morale of the German working class and it failed miserably.

The indiscriminate nature of the bombing, the heavy civilian casualties and damage stiffened German resistance. Even the effect of Bomber Command's attacks on industrial production was not major, as little as 3% in some years. This lack of success is generally admitted even though Bomber Command was undeniably massively destructive. Many believe that the bombing of Dresden, when the war was essentially over and which killed 25,000 people, symbolizes the ruthlessness and pointlessness of bombing campaigns. Numerous people, including military officials alive at the time, also questioned the need to atom bomb Hiroshima and Nagasaki since it was obvious that Japan had

been completely defeated by then. The goal of those bombings was merely the utter destruction of two cities and more than 150,000 civilian lives. Although never admitted, the goal was merely retribution.

The American bombing of Hanoi during the Vietnamese War was similarly ineffective. As with the people of London during the Blitz in World War II, the more America bombed the North, the more the resolve of the people grew. More to the point, the two bombing campaigns against the North resulted from the realization that the war was not being won, and they failed to have any notable effect on the war's progress. Olof Palme, the Prime Minister of Sweden, compared the bombing to a number of historical atrocities including the bombing of Guernica, the massacres of Oradour-sur-Glane, Babi Yar, Katyn, Lidice, and Sharpeville, and the extermination of Jews and other groups at Treblinka.

Bombing has no function in wars of conquest. Bombers cannot be used to hold territory, but they can destroy everything in it. Air weapons are clearly only destructive. And the destruction clearly has only one function. Although America's military claims that American war is waged to destroy the enemy's ability to resist, the real purpose of war from the air is to punish those who dare to resist American ambitions. It is meant merely to punish, to destroy and kill, and the killing of civilians has always been an element of wars of plunder. The lesson air war tries to teach is, Resist Uncle Sam at your peril! But consider this:

In the fourteenth century, a Mongol called Amir Timur conquered a vast empire that stretched from Russia to India and from the Mediterranean to Mongolia. The purpose of his

conquests was merely to pillage and plunder. He is remembered in history as a brutal barbarian who razed cities and put entire populations to death, using the victims' skulls to build grisly towers and pyramids. The rulers of Europe trembled at the idea that Timur's hordes were at their borders and sent embassies hoping to avoid attacks. In Western history, he is known as Tamerlane.

No essential difference separates the actions of Tamerlane from those of Britain's Bomber Command or American air wars. Western civilization today uses air weapons as Tamerlane used swords to intimidate and punish those who have the audacity of defy it. In cultures whose goal is plunder, human life has no value. Plunder is more valuable than life. The progress of Western Civilization stalled in the 14th century. Today our plundering elite still live in it.

So arguing over the rightness or wrongness of the use of drones is meaningless. Drones are not evil; killing is! As long as ordinary people acquiesce in the killing carried out by their governments, if drones aren't used, some other instruments of murder will be.

Ordinary people living in the West and perhaps everywhere are generally of the opinion that government exists for their benefit and security. Nothing could be further from the truth. Ordinary people exist merely to carry out the aims of governments. Now it is being claimed that the aim of government is to preserve life by killing, and most of us are dumb enough to believe it. How else can you explain the American government's willingness to send more than 4,000 young Americans to their deaths and the maiming of tens of thousands more to avenge the deaths of fewer than 3,000?

## SANCTIONS, WARS, AND ASSASSINATIONS

*“Go, teach Eternal Wisdom how to rule/  
Then drop into thyself,  
and be a fool!” – Pope*

The American government likes to call itself “the leader of the free world.” Why anyone believes it is difficult to discern. The people are not obviously freer than people in most other nations. Ask any American what he is free to do that a citizen of The Netherlands cannot and listen for a meaningful reply. America has a large economy when measured by its GDP, but it is, after all, a huge country. Only Russia and Canada are larger but their populations are much smaller. And America is not especially well governed. While a minute number of its citizens are obscenely wealthy; many others barely eke out subsistence livings. The nation as a whole is fairly prosperous while a huge number of its people are impoverished. Its military might is huge; its victories meager. Henry Kissinger has said, “In my life, I have seen four wars begun with great enthusiasm and public support, all of which we did not know how to end and from three of which we withdrew unilaterally.” Wars are not won or lost anymore, they, like old soldiers, just fade away. Umair Haque, Director of Havas Media Labs and ranked as one of the world’s most influential management thinkers by Thinkers50 has written in the Harvard Business Review the following description of today’s America:

“The US is a rich country that’s beginning to resemble, for the average person, a poor one. Its infrastructure is crumbling. Its educational systems barely educate. Its healthcare is still nearly nonexistent. I can take a high-speed train across Europe in eight hours; I can barely get from DC to Boston in nine. Most troubling of all, it is poisoning its food and water supplies by continuing to

pursue dirty energy, while the rest of the rich world is choosing renewable energy. The US has glaring deficits in all these public goods-education, healthcare, transport, energy, infrastructure-not to mention the other oft- unmentioned, but equally important ones: parks, community centers, social services.”

So while claiming to be the free world’s leader, while trying to teach the world how to rule, when it looks into itself, which it rarely does, it sees the consummate fool.

By persistently implementing policies that have proven to be ineffective, it has gotten this way. The War on Drugs, begun in 1971, has been so disastrous that numerous states have now legalized substances still banned by the federal government. The addiction to economic policies long discredited have brought down the world’s economy twice in seventy years. The refusal to do anything about gun ownership has turned America’s streets into battlefields. But as foolish as America is domestically, it is equally imbecilic in dealing with other nations. Take, for instance, the policy of using sanctions in attempts to induce others to change.

Applying sanctions is a form of economic warfare, and just like warfare both sides suffer casualties. Like its wars, these economic wars are seldom if ever won. Sanctions have been applied in at least twenty-five international “conflicts.” None on the Treasury Department’s list has obviously been successful in achieving the stated goal. Currently sanctions are being applied to seven countries: Cuba (1960), Iran (1979), Burma (1997), North Korea (1993), Ivory Coast (2006), Syria (2012), and Russia (2014). Now isn’t that a list of economic powerhouses? As of this writing, the



United States, for good reason, has not achieved its goals by imposing these sanctions.

The practice of imposing sanctions on nations which act in ways the United States disapproves of is a policy designed by fools for nefarious purposes. It is a policy that attempts to subvert the sovereignty of other nations, and to my knowledge, it has never succeeded. America is a narcissistic nation that sees its own reflection wherever it looks. American hubris allows it to believe that the entire world works as America does. So because America's political economy has since the nation's beginning been corrupted by its mercantile classes which dictate the nation's policies, Americans believe that the mercantile classes of other nations have the power to influence their nations' actions. But it is not obvious that they do. In Cuba and North Korea, mercantile classes barely exist. In Iran, they function at the behest of the Ayatollah, In Burma and the Ivory Coast, corrupt ruling classes are in control. The relationship between mercantile classes to the governments of Syria and Russia is ambiguous at best. Sanctioning these nations might adversely affect their economic activities but are unlikely to have much effect on their governments.

For sanctions to have any change of bring about the desired results, certain conditions are necessary. Any sanctioned nation must have a large mercantile class powerful enough to influence its government. A government must care what its mercantile class wants done. Second, no nation with either small or huge international trade can be successfully sanctioned. It does no good for a government to tell its merchants that they can't trade with another nation that they already don't trade with. And telling merchants not to trade with another nation with whom

they do substantial business might very well injure the sanctioning nation's economy more than it injures the economy of the sanctioned nation. What's left are those nations with middling international trade. Sanctions on such countries economies do do some damage but seldom enough to cause them to change. Such sanctions rarely if ever succeed. And what happens when they fail? Failures often lead to wars.

About one year after the US sanctioned Cuba, the US invaded Cuba with a CIA-sponsored paramilitary group. Eight CIA-supplied B-26 bombers attacked Cuban air fields. The next night, the invaders landed at the Bay of Pigs. They had been led to believe that the Cuban people would rise up and overthrow the Castro government. Instead they watched the Cuban army round up the invaders in just three days. The invasion was a major embarrassment for the US; in much of Latin America and the world, it was celebrated as evidence of the fallibility of US imperialism. But, despite the defeat, the United States had begun its sanctions-wars. Since then Americans have fought wars, often unannounced and unacknowledged, in numerous places after sanctions have failed: the Balkans, Iraq, Lebanon, Libya, Somalia, Sudan-another list of economic powerhouses. War backs up sanctions even when the wars also fail-an absolutely preposterous policy. Then the policy evolves into assassinations.

But perhaps sanctions, the wars that follow, and the assassinations are not meant to succeed, to cause any change. Some explanation for the absurdity must exist. Perhaps an explanation can be garnered from an examination of the American penal system.

Every society from time to time has citizens whose actions endanger others. Sometimes those people endanger the existence of the society itself. So in primitive societies, such people were merely expelled, banished, or exiled. In early America, banishment was used by the Puritans when they exiled Roger Williams who then founded Rhode Island and the First Baptist Church. Williams' theology had endangered the religious unity of Puritan society. In many ways, exile is a far more humane way of treating nonconformists than the penal systems of today. But when finding places to exile people to became difficult, penal systems became prevalent. Then things became complicated. Instead of a way of merely removing dangerous people from society, people began to use prison as a form of punishment, which is what prisons have become today. When a victim says, "I want justice," s/he wants the perpetrator to be punished. So perpetrators pay a price when imprisoned and society, too, pays a price when it pays the costs of the penal system. Both the perpetrators and the law abiding people pay a price. The system's purpose is merely punishment regardless of its cost. It has no other function.

So, too, with sanctions and "we'll get you for that" wars. Their purpose is mere punishment for defying America's wishes and it matters not if the sanctions or the wars are successful. The punishment is inflicted regardless of the cost.

The sanctions against Cuba and the Bay of Pigs invasion never have had any result that favors America, but that doesn't matter. The Cuban people have been punished for more than half a century for not rising up and overthrowing the Castro government in 1961. The Iraqi people have been punished for the actions of Saddam Hussein. And the Afghan people are likewise

being punished for their government's not having yielded Osama Bin Laden when America requested him to stand trial for planning the incidents of Nine/Eleven. And it doesn't matter if the punishments have cost America dearly. The costs of punishment don't count.

This policy is not uniquely American. The Western World is punishing the Palestinians for the Holocaust that Western European Christians inflicted on Europe's Jews. Not only does the cost of punishment not matter, neither do the people being punished. America persists in implementing these failed policies because Americans count its failures as successes. Fundamentally, the operational principal is, Hell hath no fury like an America scorned!

## THE BAFFLING WAR ON TERROR

When I view the world today from this vantage, I can only shake my head in dismay and ask, What the hell is going on?

The world is at war; no doubt about it. But it is a peculiar war.

We have a conventional army, armed with multimillion dollar armaments, fighting small bands of insurgents armed with off the shelf hand-held weapons. The conventional aspects of the war have been declared to be won, but the war goes on nevertheless. Allies of late are now our enemies, totalitarians are now are friends. We claim that we shall never be intimidated by force, while we attempt to intimidate others by force.

Ask yourselves some simple questions:

If we will never yield to intimidation by force, never our change our policies under the threat of terrorism, why should we expect Middle Eastern militants to not resist when we invade their countries with military forces to change their governments and ways of life? If we will maintain our resolve, why shouldn't they?

We routed the Taliban in Afghanistan and installed an elected government. Why are we still there? How was it possible for a few men armed with a hand-held grenade launcher that probably cost less than 100 dollars to destroy a 13.5 million dollar helicopter gunship with 16 Americans on board? Is it because theres a vast difference between routing an unconventional army and defeating it?

We have been in a decades-long war on drugs, but to rout the Taliban we teamed up with the worlds most notorious opium pushers. Now the flow of heroin into Western Europe has become a torrential river.

We toppled Saddam Hussein in Iraq, and installed a newly elected government there too. That government is now dominated by the Shia Moslem sect, the very sect that installed a

theocratic Moslem government in Iran, our chief enemy in the area. Our friendly Shia dominated government in Iraq recently signed a military alliance with the Shia dominated government of Iran. And regarding possible US opposition to any Iran-Iraq military cooperation, the negotiators asserted that no one can prevent them from reaching an agreement.

We claim that we are hated by Middle Easterners because of our freedoms and way of life, a claim for which no evidence exists. The Middle Easterners claim that we are disliked because of our foreign policies that have subjugated them for many decades; yet we ignore their claims, neatly ignoring the history of Western adventures in the area.

At the end of the First World War, the British and French carved up the Middle East to their own advantages, neglecting completely how their actions would affect the Middle Easterners who lived there. At the end of the Second World war, the victorious powers carved up Palestine to suit their own purposes rather than those of the Palestinians who lived there. And we have diplomatically, financially, and militarily supported that wrenching change in Palestine ever since. How do you think Americans will react if after some future war, the victors decided to carve up America and settle some Mongolians here?

The Western financed and armed Israeli conventional army had no trouble defeating the conventional armies of Syria and Egypt. Six day war, remember? Yet after 40 years of killing, sometimes using multimillion dollar helicopter gunships, the Israelis have been unable to quell the infatada. What makes us think we can? After spending billions of dollars in this war on terror and on domestic security, the world was taken by complete surprise yesterday when the bombs went off in London.

Judged by its effectiveness, our military strategy in this war does not exhibit many results. How any of this war can be expected to

yield a happy result is beyond me, and I cannot help but wonder if the people in the White House and at Ten Downing Street are all really this stupid.

## THE CHENEY GENE

Liz Cheney, Debra Burlingame, and William Kristol have launched a new neocon site, Keep America Safe to “make the case for an unapologetic approach to fighting terrorism around the world, for victory in the wars this country fights, for democracy, freedom and human rights, and for a strong American military that is needed in the dangerous world in which we live.” Among those associated with the group are Michael Goldfarb, Aaron Harison, and Justin Germany.

Numerous things are troubling about this group, but one stands out. None has ever served in the military. Just like Dick Cheney, when their nation called, they discovered that they had priorities other than military service; yet they have no problem with beating the war drums and sending other people’s children into battle. The most well-known neocons also fall into this group. The only prominent neocon who has served in the military is Norman Podhoretz. Numerous members of Congress are also in this group, especially those in the Republican leadership. If you want to know who they are, go to the chickenhawk database.

I propose that all of these people be referred to as possessors of the Cheney Gene. It is an unidentified gene that turns the belly yellow when country calls. It is possessed by people who when called to serve say, Hell no, I won’t go. People who possess this gene have given the word “conservative” new meaning. Historically it has meant save the status quo, the old regime. Now it means save my skin.

These people are experts on war from afar. Some of these people have held high diplomatic and Pentagon posts. Dick Cheney,



James Schlesinger, Harold Brown, William Cohen, Richard Perle, Paul Wolfowitz, John R. Bolton, Elliott Abrams, Doug Feith are some of the most prominent beaters of war drums who have never served. All are neocons who chose to save their own skins; all have the Cheney gene.

Historically it has not always been this way. The elite of nations have often led their armies into battle. The word "aristocracy" originally referred to young Athenians of the ruling class who led armies by holding up their swords from the front lines. This usage passed on to the European Middle Ages in reference to a similar class of military leaders, the nobility. Numerous national leaders led their armies into battle: Sennacherib, Suleiman, Xerxes, Darius, the Spartan Kings, especially Leonidas, Alexander the Great, some Roman Caesars, Henry II of England, Philip II of France, Richard I, Frederick I Barbarossa, Leopold V of Austria, Saladin, Gustavus Adolphus of Sweden, Gustav II Adolf, Henry VIII, and, of course, Napoleon. No longer! Today our leaders cower behind the rhetoric of super patriotism which is no patriotism at all, just bombast meant to save their own skins.

Americans should be able to silence these people merely by calling yellow yellow. Make the "Cheney Gene" into a common term. Let him go down in history just as Benedict Arnold and Quisling have. But if that doesn't work, the right kind of conscription will. All that's needed to reduce the world's warring is ensure that those who advocate and benefit from wars are the ones who fight them.

Just imagine conscription of the following kind: Persons of military age are to be conscripted from three groups. The first to be conscripted are the children, grandchildren, and great

grandchildren of elected office holders and appointees to governmental posts. The second to be conscripted are the children, grandchildren, and great grandchildren of families whose assets are valued in the billions. The third to be conscripted are the children, grandchildren, and great grandchildren of families whose assets are valued in the millions. And finally, no one is to be conscripted from families whose assets are valued at less than a million. If this form of conscription were adopted, wars would be rare events indeed. They are only frequent today because those who advocate them are not the ones who fight them.

Does anyone believe that George Bush and Dick Cheney would ever have started the wars in Iraq and Afghanistan had they known that Barbara, Jenna, and Liz would have ended up on the battlefield?

## THE HUMAN AVERSION TO DOING THE RIGHT THING

Does anyone want to make the world a better place? Do you know anyone who does? Have you known of anyone who has? Think carefully about these questions, because things are not always as they seem.

In 1863, President Abraham Lincoln issued an Executive Order as a wartime measure freeing the slaves in the ten states that were in rebellion. It freed about three quarters of the four million slaves in the United States at the time. The remainder were not freed until the Thirteenth Amendment to the Constitution was ratified in 1865. The order did not outlaw slavery and did not confer citizenship on those freed. It was merely a strategic measure, not a humanitarian gesture. Nevertheless, Lincoln has become known in American history as the Great Emancipator.

The war during which the order was issued resulted in the deaths of approximately three quarters of a million people, and the freedmen, as the former slaves were called, were left to fend for themselves. Many joined the army and after the war were sent West to fulfill America's Manifest Destiny by killing Indians. What a magnificent event the issuance of the Emancipation Proclamation was. Men were freed from slavery so they could become Indian slayers. What a great contribution to the improvement of the human condition that was!

Yet in 1861, two years before the Emancipation Proclamation was issued, Tsar Alexander II, a brutal Russian Autocrat, abolished serfdom in Russia by merely signing a document. Lincoln's order freed about three million slaves; the Tsar's edict freed 23 million without firing a single shot, without killing a single person or

causing a single person to have to fend for himself. How dastardly! What a barbarian! You would think that he could have killed at least half a million. After all, he was the Tsar! He was a brutal Russian, not a benevolent American!

Really? Who was the greater humanitarian? The Great Emancipator or the Tsar? Did either make the world a better place? Were people any better off after the edicts were issued than before? Did being freed sate any person's hunger?

Lincoln was elected president of "a house divided." He went to war to preserve the house, to preserve the union. He succeeded marvelously. The house has been divided ever since! Was the world made any better by the war? Was the world any better after the war than it was before? Judge for yourselves. Were America's Blacks any better off? Are they better off today? These questions are not easy to answer.

In 1889, Kaiser Wilhelm I of Germany enacted the world's first old-age social insurance program which was designed by Germany's arch-conservative Chancellor, Otto von Bismarck. In a letter to the German Reichstag, Wilhelm wrote: ". . . those who are disabled from work by age and invalidity have a well-grounded claim to care from the state." How reactionary! Imagine a Kaiser caring about the well-being of workers? What in the world can we make of that?

A short time later—well, quite a bit later in 1935—Franklin Delano Roosevelt basically copied the German program and induced the Congress to enact it. Roosevelt may have been a man of the people, although he was not quick to come to that position, but he was no original thinker. Yet he has an endearing place in

the hearts of Americans. German Kaisers do not! Humanitarianism just oozes out of the hearts of America's political leaders, doesn't it? Did Roosevelt make the world a better place? If so, did the autocratic Kaiser make it a better place too?

Between 1939 and 1941 New Zealand created the first universal health care system. Other nations soon followed: The United Kingdom in 1948, Sweden in 1955, Iceland and Norway in 1956, Denmark in 1961, Finland in 1964, Japan in 1961, Canada between 1968 and 1972, the Soviet Union in 1969, Australia in 1974 and 1984, Italy in 1978, Portugal in 1979, Greece in 1983, Spain in 1986, South Korea in 1989, Taiwan in 1995, Israel in 1995, the Netherlands in 1986 and 2006, and Switzerland in 1996. From the 1970s to the 1990s, the Western European countries of Austria, Belgium, France, Germany, and Luxembourg expanded their social health insurance systems to provide universal coverage. The United States of America? Well, not yet. Maybe someday. Perhaps never. Obama believes his reform of private health insurance has rendered universal healthcare unnecessary. America's leading from behind –way behind –does not extend to improving the human condition, and America does not boast of belonging to this international community.

These examples provide evidence for the assertion often inaccurately attributed to Winston Churchill that "Americans can always be counted on to do the right thing after they have exhausted all other possibilities." But things are really much worse than that. When Americans do set out to do the right thing, they often do it so badly and so ineffectively that the pathos of the human condition is hardly improved at all. Healthcare in America is so poorly distributed that many people lack access to

it under any conditions and every physical ailment is not covered by medical insurance. Many communities lack even one primary care physician; others boast of scores, and vision, hearing, and dental problems are not covered by most medical insurance plans, not even Medicare! But of course not! Why do people, especially the elderly, need to see, hear, or chew? Making the world a better place is not an American forte. Nor is it a forte in many other countries.

In trying to judge the value of something, the Romans often asked, "Cui bono?" Who benefits? is an important question. So is the question, Who suffers? For instance, when an elderly person whose hearing is impaired is denied a hearing aid, who benefits? Anyone at all? When an unemployed person is denied unemployment compensation, who benefits? Anyone? When a family with little or no income is denied nutritional assistance, who benefits? When an ill person is denied medical care, who benefits? And who benefits when a homeless family is denied a domicile? Who benefits when a school child is denied a lunch? Does anyone benefit? Yet who suffers is obvious, isn't it? Helping no one and making many suffer is merely cruel, and being cruel is a moral fault. America and many other nations are not people-countries; they do not exist for the welfare of people. Making the world a better place is not something human beings do easily.

When people are denied these benefits, the deniers are engaged in simple cruelty. No, gratuitous cruelty inflicted gratuitously! The Earth is awash in it, and most of it is inflicted by human beings, many of whom are content to do nothing in the face of it. The American Congress has traditionally been known as a "do nothing" institution. And Edmund Burke, a very conservative political philosopher said, "The only thing necessary for the triumph of evil is for good men to do nothing." When the American Congress

or any political institution anywhere is content to do nothing to alleviate human suffering, it follows that the institution is aiding and abetting "the triumph of evil." But something else follows as well. Those who do nothing are not good people! That, above all, needs to be made obvious. Bad people do nothing and aid and abet the triumph of evil in the world. So much for making the world a better place!

I asked above whether the American Civil War made the world a better place. Now the world is in a continuous war. The Western world is at war with most of the nations in the Middle East, North Africa, and is promoting war in Ukraine. The Sunnis are now even being encouraged to kill other Sunnis. How can it possibly end well? When the Kurds, who are being encouraged to kill Sunnis too and who live in Iraq, Syria, and Turkey, want to form a nation of their own, Kurdistan, and Turkey objects, who is the West going to support? The Kurds or a NATO partner?

Will there be no end to this killing? Is any human being's life anywhere made better by all this killing? Was the life of any American bettered when Osama bin Laden was assassinated? Did that assassination sate any child's hunger? Did the American economy suddenly awaken from the doldrums? Can't you just see how much better off everyone is because of the killing frenzy? Apparently no one but the world's leaders can.

Abba Eban, an Israeli diplomat, said in June 1967 at the United Nations that "The question is whether there is any reason to believe that . . . a new era may yet come to pass. If I am sanguine on this point, it is because of a conviction that men and nations do behave wisely once they have exhausted all other alternatives.

Surely the other alternatives of war and belligerency have now been exhausted."

How "hope springs eternal" even in the hearts of those who blankly stare into the abyss. The West, following America's lead has proven that the alternatives of war and belligerency have not yet been exhausted. So let peoples everywhere be warned: if you are willing to follow America to the gates of Hell, be prepared to enter it. Those gates swing in only one direction!

The world will not become a better place until human beings want it to. Those who deny benefits to needy people and promote orgies of killing do not want it to. They want to protect the status quo. But denying benefits to the needy and promoting continuous war define the status quo. At least since Alexander the Great, war has been the instrument of what is now called foreign policy. They also comprise domestic policy in most nations. States can just as easily wage war against their own citizens as foreigners. Is this cruelty the essence of human nature? Will it ever be different? Not until the questions, "Who benefits?" and "Who doesn't?" are being answered, "The needy!" and "Nobody!". The goal of human endeavor must become the welfare of human beings. Nothing good comes of doing otherwise.



## THE JUDAS RACE: AMERICA'S WARS AND ORGANIZED RELIGION

*Somewhere; We'll find a new way of living (Song lyric)*

Americans stamp "In God we trust" on money. Pray tell?, what do they trust God to do? And has anyone ever checked to see if He/She/It is doing it or even ever has? Certainly, Americans do not expect He/Her/It to bring victory in battle. The outcome of America's wars since the end of WWII has not been especially favorable; yet war is a frequent and normal American activity (see list) in spite of James Madison's warning:

"Of all the enemies to public liberty war is, perhaps, the most to be dreaded because it comprises and develops the germ of every other. War is the parent of armies; from these proceed debts and taxes ... known instruments for bringing the many under the domination of the few.... No nation could preserve its freedom in the midst of continual warfare."

But America is not alone. In the Encyclopedia of Wars, Phillips and Axelrod present a comprehensive list of 1,763 wars. Many of these wars have religious aspects.

Warfare and organized religion have arisen together; the ability to fight wars is part of any tribal structure that is capable of supporting concerted, large-scale enterprises.

In the ancient world, each city state had its own ruling and protecting god. Warfare between these cities was conceived of as warfare between the cities' gods. People, like ants, lived for the sake of the tribe.

Although America calls itself a “secular” nation, claiming to “trust in God” is a throwback to earlier eras in human history. Is this God in whom we trust supposed to be our protector? Is the War on Terror a religious, a holy war, a bellum sacrum, a war between gods? Is it a cultural war? In spite of all the denials, this war could very easily be called the Ninth Crusade. European wars against Muslims have always have always been cultural about expelling Islam from the “Holy Land,” where, in fact, nothing is holy, These wars are battles between incompatible cultures. Why is this war on terror different? In fact, the U.N.’s placement in of Israel in Palestine could have been just another attempt to attain the goal denied to the West’s warfare, and the West’s defense of Israel, just another attempt to hold on to the conquests of the Eight Days War. Trouble is, its not working out very well. Instead of conquering the region, we have converted it into a perpetual battlefield.

When societies were small and principally tribal, protecting the city was synonymous with protecting its people. The destruction of the city could very well result in the tribe’s annihilation, but today’s societies (nations) come and go, often entailing much killing, without that consequence. Their tribal diversity makes that impossible. For instance, the Republic of Vietnam vanished at the end of the Vietnamese War but the people who survived the war live on. The claim that Israel has a right to secure borders when the even United states lacks them is ludicrous. America’s insecure borders are legion as any border guard will tell you.

In the Southern United States where church fires are frequent, it is held that the building’s destruction doesn’t affect the church itself which, it is also claimed, is its congregation, its people. Modern

nation states are much more like congregations than tribes. Why haven't nation states come to be thought of as these churches are; as their peoples, not their territories? Is America a land mass in North America or is it the people, its citizens? This ambiguity is revealing. When we send Americans to war to defend America, exactly what are we defending? Certainly not those we send. Are we merely killing our own people? To preserve a nation without preserving its people seems to be nonsensical unless some people are the protected while others are the protectors, which might very well be the case. Do some of us exist for the sake of others?

Since 1095, Christians has been at war with Muslims. Westerners fought and essentially lost the Crusades. They fought the Ottoman Empire. The Nigerian Civil War, the Second Sudanese Civil War, the Lebanese Civil War, the wars against the Palestinians, the revolution in Iran that installed the Shah, the wars in Iraq, and Afghanistan and the killing in Pakistan, Syria, Lebanon. Egypt, Libya, Yemen, and parts of North Africa. All have been religious wars by Western "Christians" against Moslems trying to reorganize the world's societies to conform to western standards.

Many pro-westerners would ask, what's wrong with that? The answer is it's inhumane. Western society has its virtues, many of which are being destroyed in this attempt to bring about institutional homogeny. Will you have any freedoms when one way is the only way? But wasn't America said to be founded on individuality?

America's decline is well-known to any astute person. Fareed Zakaria wrote a article about it for Time Magazine in 2011. He asks, "Are America's Best Days Behind Us?", and writes, "most

Americans operate on the assumption that the U.S. is still No. 1. But is it? . . . our 15-year-olds rank 17th in the world in science and 25th in math. We rank 12th among developed countries in college graduation . . . . We come in 79th in elementary-school enrollment. Our infrastructure is ranked 23rd in the world. . . . American health numbers are stunning for a rich country: . . . we're 27th in life expectancy, 18th in diabetes and first in obesity. . . ."

What is America best at? America has the most guns, the most crime among rich countries, the highest incarceration rate and the largest total prison population, the largest amount of debt, the largest economy (which merely means Americans buy more stuff than other people), and the most powerful military. And, Oh, yes: "The United States has produced most of the greatest movies that the world has ever seen." Isn't that wonderful? Aren't you proud to be an American? Don't you want the whole world to be like us?

The sad thing is that Islam also has its faults, but, of course, Muslims don't think so. To them, Islam is the way of life given to mankind by Allah. Therefore it is a perfect way of life, with no error, since Allah has no faults.

But Islam is authoritarian, its people have no rights, civil or human, and it is deterministic since the individual's sole purpose is to identify and carry out God's plan. A person is merely a cog in God's machine.

So the human race's prospects for the outcome of this war are dismal. Neither Islam nor Western "Christianity" nor any religiously based proposal will rescue us. Only humanism will.

Trusting in God is futile. God no longer lurks on Olympus. What needs to be defended is not a country or even wealth; it is the Earth's environment and the human race itself.

The West is in a mad dash to accumulate the emptiness of its pantheon. Everything is measured in terms of money, but money has no natural value. Its value is entirely artificial. It shelters nothing, sates no hungry stomach, relieves no suffering. All it does is buy things that the real producers of wealth, the generic people, make, the people without whom no society could succeed. Rid the world of financiers and the electricity still will come on. Rid the world of electrical workers and the bankers cannot function, which indicates that Western Society is not organic. It is an amalgamation of analytic elements which barely work together because it has no humane goal. This society accumulates money, somewhat as a game, that has no use for it when it is accumulated. Billionaires who acquire fortunes come and go. Little good is done with their money. It's just thirty more pieced of silver. Those that have some sense of charity set up foundations to search for worthy causes to give their money to while overlooking the needs staring them in the face.

Andrew Carnegie built Americans local libraries. It was thought to be a wonderful idea, but these libraries failed to make Americans into better people. Others funded transactional charities to enhance their family's stature. Still others search for ways to fund promising discoveries. None has ever enhanced human life substantially, Mr. Gates, the cure for cancer may never be found, Charity promises no results.

Balzac writes that, behind every fortune lies a great crime. It is worse. Being acquired for no human goal, fortunes are acquired

by insane people just to the fun of it. Their fortunes guarantee them nothing. They die no older than the rest of us, diseases don't bypass them, their children often turn out bad, their marriages fail. Balzac also is right when he writes, if there is a scheme worthy of our kind it is that of transforming human beings into moral persons. Unless the welfare of each individual human becomes the concern of the human race, the human race will choke on its wealth and perish, and if life on Earth survives, it will murmur "good riddance."

## **“THE MENTALITY OF BRUTALITY”: ISLAMIC STATE BEHEADINGS AND “CIVILIZED BARBARITY”**

In Persia almost five thousand years ago, Zoroaster divided the gods into two opposing groups. Two, Ahura Mazda (Illuminating Wisdom) and Angra Mainyu (Destructive Spirit), were personifications of good and evil which, he claimed, were in conflict, and the Earth was described as their battlefield. Many others have described the Earth similarly. That the Earth is a battlefield is obvious. People everywhere have been killing each other for various reasons since the dawn of human history. That the battle is between the forces of good and the forces of evil is dubious.

The barbaric violence of Islamic jihadists is undeniable. Regardless of the merit any reasons they have for attacking Westerners have, none justifies their willingness to brutally kill whole groups of people in genocidal ways. Nothing can justify impaling a child! So that jihadists promote evil is an acknowledged assumption of this piece. But the killing being carried out by Westerners is equally abhorrent.

Two American journalists were recently beheaded by jihadists. The Western press turned these killings into a cause celebre. According to that press, two more horrendous murders had never been committed. The jingos pounded the drums of war. But the same week, two other Americans who had joined the jihadists were killed by opposition forces in Syria (perhaps Iraq), but their deaths barely received a notice. The mother of one of the journalists openly pled for the life of her son; no one pled for the lives of the jihadists. Did they not have mothers who grieve?

But some will say, the journalists were beheaded! Ah, yes, they were. Beheading is a horrid crime. No question about it. But let's remember our history.

In the sixteenth century, the English had a king who had six wives. He had two of them beheaded. He is not generally referred to as a barbaric man. Strange! The English are America's allies.

In the eighteenth century, the French had a revolution during which they beheaded numerous members of the aristocracy and even invented a machine to make beheading more humane. The French are America's allies too. Are they horrid barbarians? When does a nation whose people kill others indiscriminately stop being barbaric?

What about the Germans? They lack a history of beheading people, but, according to Zionists, they murdered six million Jews in an attempted genocide. More American allies whose barbaric actions are known but who are never called barbarians. But those jihadists? What barbarians!

The French beheaded Louis XVI, Marie Antoinette, and other aristocrats by using the guillotine. Was that less brutal than beheading people by sword?

Tsar Nicholas II and his family were executed by bullets during the Russian Revolution. That too was brutal, but was it less brutal than beheading?

ISIS uses swords to brutally behead people. Horrible! Absolutely horrible! Americans use Hellfire missiles fired from drones to dismember people. Isn't that also horrible? Is dismembering a



person by means of a missile less brutal than beheading a person by sword? If you believe so, there's something wrong with you.

In America recently, a condemned criminal was executed in a botched procedure that took two hours. An efficient, not botched, procedure would have taken mere minutes. But would it have been less brutal than the execution that took two hours?

According to the Geneva Conventions, it is okay to blow people to bits by bullet, bomb, and missile but not to merely gas them to death. Do you believe the dying really care?

People, it's the killing that's brutally horrible. There are no ways of killing that are less brutal than others. Distinguishing between killings by various means amounts to making distinctions without a difference. The dead don't care! They're dead no matter what.

The President sent a team of assassins to a compound in Afghanistan to execute Osama Bin Laden. The team carried out the mission despite botching the landing because Bin Laden apparently was unguarded. When word of Bin Laden's execution reached the White House, the people waiting for the news, like Romans in The Colosseum watching gladiatorial combat, cheered. No, the cheering was not a sign of barbarity; it was one of kindness and compassion. Sure it was!

The United States launched a humanitarian mission to aid a trapped, obscure Christian sect in Iraq that turned out not to be needed by the time it arrived. But no humanitarian mission was ever even contemplated to aid the children of Gaza who were being killed by Israeli bombs while in their own bedrooms.

Apparently the children of Gaza were not worthy of humanitarian aid. If people can pick and choose whom to provide with aid, the aid is not humanitarian.

Westerners seem to believe that when one of them kills an enemy, something honorable has happened, and that when one is killed by an enemy, a dastardly and barbaric crime has occurred. Isn't this hypocrisy run amok? Is it any wonder that a nation that wantonly kills people abroad has police who shoot down unarmed teenagers in its streets at home? No people can be violent abroad and peaceful at home. Brutality is a character trait not an accident. Brutality drives out compassion and kindness; brutality and compassion cannot exist together.

The War of the World does not pit good against evil. There is no army of the good in the fight. The battle pits one evil group against another. No matter which side prevails, no good can ever come of it. If humanity survives, decades from now nothing will have changed. Mothers will still be sending their sons and daughters off to combat adversaries and have them come back in boxes. They will fill hallowed graves in reserved cemeteries which people will visit on Memorial Days. They will have died in vain just as all the warriors of past generations have. Humanity has been here before. Many times! Mothers will someday wail that cannon fodder is the fruit of their wombs. The war to end all wars is the war without end. This alone is the legacy of the brutality mentality.

## THE OMNICIDAL SPECIES

A few weeks ago, my wife came in from the back yard yelling, "John, John, a snake. There's a snake in the back yard. Get something to kill it. Kill it."

I was in no mood to do any killing and didn't have anything handy to kill it with anyhow so I calmly went outside to have a look around. Sure enough, there it was. A beautiful, completely benign, about 18 inches long, orange and black, western ribbon snake sunning itself. Not only was there no reason to kill it, there was no reason to even disturb it. Yet in the interests of domestic tranquility, a little nudging induced it to slither into some underbrush and disappear. But my wife had really wanted it dead even though she's a kind compassionate person who generally loves animals. She contributes to local animal shelters and is always horrified when she hears stories of animal cruelty. Neither she nor anyone else I know would have considered killing that snake animal cruelty. Why? Was it because of the story they all were told when they were young about Eve's tryst with a serpent in the Garden of Eden or because of a wild imagination based on ignorance of what snakes might be capable of doing like swallowing the whole house, for instance? I don't know.

A few days later I read about a hiker's being mauled by a bear in Yellowstone. A sow was spotted and although no one had witnessed the mauling, the assumption was made that she was the mauled. She was captured and put down. Why? For having offended human sensibilities? She may not even have been guilty, and no other bear in the park could have been prevented from mauling anyone because of her death. Her killing had no purpose whatsoever. It was purely gratuitous, an act of vengeance.

Then the news of Dr. Palmer's killing of Cecil the lion in Zimbabwe hit the air. Palmer, an exceedingly rich American wanted the pleasure of killing a lion so he could hang its head on a wall. He wanted a trophy! He claims to have done no wrong but he tried to hide the killing. Cecil's collar was hidden in a tree before his head was removed for mounting. It was all perfectly innocent, of course. Except for Cecil's special status, being a lion with a name and a collar, Dr. Palmer, the lion slayer, would have been delighted with the kill. I suspect a celebration would have been in order.

Of course, a vast difference exists between people like my wife and Dr. Palmer. My wife would be horrified at the thought of mounting even a beautiful dead snake on the wall of her living room, but Dr. Palmer would be delighted with it. Yet Dr. Palmers are not rare. In my neighborhood, a barber has a shop adorned with mounted fish all of which he has gleefully murdered. They were beautiful fish. Why would anyone want them dead? And Sarah Palin posted a video of her shooting a superb elk to demonstrate how firm she would be dealing with the Russians had she been elected to the office of Vice President. What shooting a clueless elk standing still in a clearing on a hill says about how aware Russians armed, hidden, and willing to shoot back would react eludes me.

When Osama Bin Laden was assassinated by navy seals, the President and his advisors, keeping track of the event electronically, are said to have cheered when the fatal shot was fired. But is there any essential difference between their glee and Dr. Palmer's when he killed Cecil? I don't know. Readers can judge for themselves. What kind of human being is cheered by a killing? Perhaps a very normal one.

Maybe a psychological malady exists that describes such people – Dr. Palmer, the barber, and all the President's men. Do they all suffer from some gross inadequacy that causes them to over compensate by killing animals that pose no danger to them? If there is one, psychologists certainly don't emphasize it. Are normal people natural killers and are the healers deranged? Is the Grim Reaper a member of this species? Is there anything human beings won't find a way to kill?

Think about it! Life is an oxymoronic activity. Some living things must kill other living things to endure. A mathematician would recognize that as a *reductio ad absurdum*, an absurdity that cannot be sustained. But few human beings are mathematicians. Some killing may have to be done to subsist, but gratuitous killing does not.

People sought ways to kill bacteria that are deadly. Antibiotics were discovered. A good and necessary thing. But immediately people began feeding antibiotics to chickens, cows, horses, none of whom exhibited any signs of being infected. Whether bacteria were benign or malign made no difference. People were going to kill them. And ways of killing other things have been developed too. There are herbicides, fungicides, pesticides, insecticides, every kind of cide. There are bullets, bombs, missiles, hooks, snares, traps, spears, and nets to kill animals and sea life of all kinds. People also kill each other and even themselves. Children kill parents, parents kill children, neighbors kill each other and strangers, strangers kill strangers. Is there anything human beings won't kill?

Apparently not. Scripture exists that describes the killing of even God. Worse, humans glorify His murder by hanging amulets of an effigy of the God hanging from a cross around their necks. Is this essentially different from hanging the head of an animal on a

wall? Why do these human beings glorify the murder of God rather than His birth or resurrection? What does the fascination with death consist of? Human beings seem to enjoy and be entertained by it. (Bill Nye the science guy who searches for life forms in the sky – why? Do you want to kill them?)

Since long before motion pictures and television, a literary genre called the murder mystery has entertained people. These people say they enjoy solving the conundrums. But writers can concoct similar conundrums about things other than killing. But no robbery mysteries exist. No who started the nasty rumor mysteries exist either. The killing seems to be a necessary ingredient of the story. Why this fascination with death? Why are people so quick to turn to killing?

Yet despite this ubiquitous killing, a group exists that calls itself pro life. It seeks to stop the aborting of fertilized human fetuses but gives no evidence of any concern about the killing that goes on around them every day. These people claim to value life. Mike Huckabee, in reacting to the Black Lives Matter movement has said "white lives matter; all lives matter" but he doesn't mean it and neither does anyone else in the pro life movement. They don't seem to understand that if all lives matter, Palestinian lives matter, Syrian lives matter, Iraqi lives matter, Afghan lives matter, Libyan lives matter. If all lives matter, Osama bin Laden's life mattered. So did Al Awlaki's and his fifteen year old son's. So did Gaddafi's and the lives of every member of the armed forces who died on a Middle Eastern battlefield, including the Americans who died there. But they are dead now, gone forever, and George W. Bush, Dick Cheney, Barack Obama, Hillary Clinton, and all the neoconservatives who advocated going to war in Iraq to prevent Saddam Hussein from acquiring

nonexistent weapons of mass destruction murdered them as surely as Dr. Palmer murdered Cecil. They cannot avoid the guilt.

No person express how much s/he values life by trying to save the nonexistent lives of the unborn but by how the living are treated. The living are not being treated well when the homeless go unsheltered, the hungry go unfed, and the sick go untreated which may explain why those interred in cemeteries are commonly described as being in a better place. What a bitter judgment that expression is on the quality of the human condition. We all aught to be ashamed!

## **THE REAL NEW WORLD ORDER - BANKERS TAKING OVER THE WORLD**

How quickly best laid plans become passé. New world orders come, it seems, as frequently as eclipses.

The old world order (*ancien régime*), along with 16 million people, died during the Great European War which began on June 28, 1914 when the Austrian heir to the throne, Archduke Franz Ferdinand, was assassinated by a Serb nationalist, Gavrilo Princip, in Sarajevo. (Today he would be called a terrorist.) This assassination sent nations that had no desire to go to war into the most destructive war the world had yet experienced.

Europe at the beginning of 1914 consisted of six major empires and an assortment of minor states that the major empires didn't care much about. The six major empires, (the Austro-Hungarian, French, German, British, Ottoman, and Russian) were ensnared in military alliances (much like the US is today) which were formed to keep the peace. The diplomats, like those today, believed that forming alliances that balanced the powers of different groups would keep them from attacking each other. The Central Powers consisted of Austro-Hungary, Germany, and the Ottoman Empire; the Triple Entente consisted of the other three. Peace, the diplomats thought was assured. What happened?

When the archduke was assassinated, the Austrians, confident in their military prowess (as Americans are today), decided to punish Serbia which was attacked on July 28. But the Serbs ambushed the Austrians at the battles of Cer and Kolubara. The Austrians were thrown back with heavy losses. Russia came to the aid of its ethnically related Serbs, and Germany invaded



France through Belgium and Luxembourg. Britain came to the defense of France and the Ottoman Empire joined the war in the Balkans on the side of the Central Powers. The alliances that were to ensure the peace changed a single assassination into a massive war. When it was over, the Austro-Hungarian, the German, the Ottoman, and the Russian Empires had vanished and the United States, which joined the war late on the side of the Triple Entente had become a world player. The old world order was gone!

Woodrow Wilson, the American President, sought to create a new old world order by proposing his Fourteen Points. Wilson wanted to create separate nations out of former colonies and ensure the peace by creating a League of Nations (another peace by treaty scheme). Territorial reductions were made to Germany and Austria, a slew of new and revived nations were created in Eastern Europe, while France and Britain carved up the Ottoman Empire to suit themselves. The new old world order was just a reconfigured old world order. It didn't last and it didn't ensure the peace. So much for the best laid plans of diplomats.

Germany was reborn in 1933 when Adolph Hitler became Chancellor. He, too, sought to create a new world order, one dominated by a Thousand Year Reich (Empire). To that end, his policies were aimed at seizing Lebensraum (living space) for the German people by extending Germany's borders. Austria and parts of Czechoslovakia were annexed and Poland was invaded. But alas, Poland had a mutual defense treaty (another alliance formed to ensure the peach) with Great Britain and France, so the invasion of Poland started World War II.

When it was over, Germany again was destroyed and Great Britain and France, for the most part, had had their empires

diminished. The United States and the Union of Soviet Socialist Republics (Russia) found themselves at the top of another new old world order.

The victorious powers, the US, the USSR, China, Great Britain, and France tried again to ensure the peace by creating the United Nations which they attempted to keep firmly in their control by making themselves rulers of the Security Council which had a veto on all UN Activities all five nations didn't give unanimous approval to. That was to be the new old world order. But it began to come unglued immediately. China was not represented by mainland China which had become Communist but by "Nationalist" China whose government had fled to Taiwan. Communist China soon took the Chinese seat and the two Communist nations formed a bloc while the remaining three Capitalist nations formed another. The United Nations became the Disunited Nations and has remained so to this day. This new old world order was stillborn.

Sometime after 1950 (because of secrecy, the exact date is unknown) the Bilderbergers, realizing that the old world ancient régime and all of these new old world orders were founded on nation states that kept going to war with each other, began an attempt to create a truly new world order. David Rockefeller writes,

"We are grateful to the Washington Post, the New York Times, Time Magazine and other great publications whose directors have attended our meetings and respected their promises of discretion for almost forty years. . . . It would have been impossible for us to develop our plan for the world if we had been subjected to the lights of publicity during those years. But,

the world is more sophisticated and prepared to march towards a world government. The supranational sovereignty of an intellectual elite and world bankers is surely preferable to the national auto-determination practiced in past centuries.”

“For more than a century ideological extremists at either end of the political spectrum have seized upon well-publicized incidents such as my encounter with Castro to attack the Rockefeller family for the inordinate influence they claim we wield over American political and economic institutions. Some even believe we are part of a secret cabal working against the best interests of the United States, characterizing my family and me as ‘internationalists’ and of conspiring with others around the world to build a more integrated global political and economic structure - one world, if you will. If that’s the charge, I stand guilty, and I am proud of it”

If there were no nation states, no wars could erupt between them!

Some believe that these international bankers have succeeded in taking over the world, but it has never succeeded in abolishing nation states. In fact, there is some evidence that nation states may be disintegrating into smaller ones. Scotland is going to hold a referendum on withdrawing from England, Catalonia is talking about withdrawing from Spain, Czechoslovakia has broken up into the Czech and Slovak republics, there is talk again of secession in the US, and no one quite knows what is really happening in the Arab world. A new world order ruled by one government? Not hardly!

But things began to break down in the 1950s. Until then, wars were fought between armies supported by nation states, and their endings were foreseeable. A war ended when one army, either

voluntarily or on command, surrendered. That era appears to have ended. Old world order warfare appears to have become passé.

When the second world war ended, the Korean Peninsula was partitioned into Northern and Southern sections occupied by the Russians and Americans respectively. Elections for unification were to be held in 1948 but were not; the Americans were unsure the result would favor the South. Open warfare broke out when North Korean forces invaded South Korea in June, 1950. Because the Soviet Union was boycotting the United Nations Security Council at the time, the United States and other countries passed a Security Council resolution authorizing military intervention. The war's progress favored each side from time to time and continued until July, 1953 when an armistice was signed. Officially, the war still goes on today. The US provided 88% of the 341,000 international soldiers which aided South Korea. The Russians and the People's Republic of China aided North Korea. The West's army was international, and the era of never ending, wars may have begun.

After a short pause, the American hubris led the US to play one-upmanship with France. Since the end of World War II, the French had been trying to maintain its hold on its Southeastern Asian colony of Vietnam. But at the Battle of Dien Bien Phu, the French were soundly defeated and decided to give up the fight. American hubris about its military prowess made American diplomats believe that the US could do what the French could not and began to use American military resources to keep South Vietnam from being united with the North.

The Pentagon's military minds viewed this conflict as a traditional two-nation-state one and believed that America's military only had to defeat a primitive North Vietnamese army to succeed. They were wrong, and after twenty years of fighting, 58,000 Americans, millions of Vietnamese had died, and the Americans fled. But this war marked another first: the army that won all the battles lost the war. That had never before happened in history. Today, winning battles does not win wars. Truly a new era in warfare has begun. What the Pentagon's commanders failed to realize was that the war was not a two state war. It was a war between an invading army and an indigenous people who could only be defeated by total annihilation. No possible way existed for Americans (or any other nation-state) to "win" this war.

But Americans are hard learners and they learned nothing from Korea and Vietnam, so after two misadventures that appeared to be successful (Grenada and the 1st Gulf War), the US led another multinational force into Iraq and Afghanistan. After eight years in Iraq and the installation of a new government, the US withdrew without achieving its goals, leaving Iraq in disarray. And after more than a decade in Afghanistan a similar outcome seems to be imminent. Like Vietnam, these wars too are not two-state wars.

They amount to invading armies battling indigenous peoples who themselves are not united and not under the control of any government, group, or commander. No surrendering army in either country will ever be found. But now there's a new twist. The forces facing the invaders do not merely consist of local peoples. Those peoples are assisted by non-state but similarly minded multi-state actors. The people opposing the West in Afghanistan are the same groups opposing the West in Libya,

Algeria, Syria, Yemen, Mali, Somalia, the Sudan, and elsewhere. People who have been subjugated and exploited by the West have begun an undeclared war on the West and westerners everywhere, and winning this war will require not their defeat but their annihilation. The West cannot do that without annihilating itself in the process.

The real new world order has emerged-the world's downtrodden against the West and its puppet, surrogate colonial governments. These non-state but similarly minded actors will determine the course of future world history. There is now a new world order that the West cannot control, that military force cannot subdue, and that concessions cannot placate. Ancien régimes relied on military power to influence events. The true new world order renders military power effete. All it can now accomplish is kill for killing's sake. Pure barbarity is what the promise of Western Civilization has been reduced to. What a wonderful world we have made!

## THE TWENTY-FIRST CENTURY- A WORLD AT WAR WITH ITSELF

Although globalization is the talk of the town, especially among economists, there is another worldwide movement which could render globalization talk nugatory. And, for the most part, this movement is neither recognized nor understood even though its consequences are enormous. If you look closely, you will see that the world is coming apart at the seams.

Africa, where tribal antagonisms have produced a wave of genocides, is almost too horrible to even mention. And even when the rest of the world takes notice of what has been going on there, efforts to do something about it have been feeble at best. The Western world rejoiced when the Soviet Union disintegrated, but the resulting antagonisms are dire. The civil war in Chechniya, and the electoral abuses in Tajikstan are but the most prominent examples. The Czechs and Slovaks could not keep Czechoslovakia together. Peoples in the Eastern and Western Ukraine are almost at each other's throats. The Slavic States have disintegrated after years of ethnic cleansing.

India has always been a hotbed of sectarian violence and continues to be so. England, during its imperial hegemony, could never quell it. Spain has never assimilated the Basques; Ireland is at war with itself even though a truce currently holds, and the sectarian violence America has provoked in Iraq threatens the entire Middle East. Even Lebanon, which was once a somewhat unified and prosperous nation, is now fractured. The optimistic atmosphere that accompanied the Syrian withdrawal last spring appears to have been replaced by increasing sectarian tensions and political uncertainty. The Lebanese are all disappointed because they haven't built the Lebanon they dreamed of one year ago. They may never be able to build it.

And even here in the United States of America, disparate groups have hardened their views, provoking attitudes that mimic deep hatred. Where we once had a government that viewed compromise as the art of government, we now have polarized groups that make compromise almost entirely impossible.

Globalization, on the other hand, requires political and legal stability, and I see no certainty that that exists anywhere in today's world, not even here in America.

The world, as we have known it, made up of artificial national states created by conquest during the age of imperialism may be moribund. The glue that has held it together may be loosening. Military power may no longer be effective. We should all learn from what happened to the French in Algeria, the United States in Viet Nam, the English in Ireland, the Russians in Afghanistan, and what's happening today to the United States in Iraq, that armies, no matter how well equipped or how large, can no longer put down a people's insurgency. And as the glue that now binds nation states loosens, the world that may emerge may consist of sectarian blocs with absolutist views that harbor disdain for others, pursue the interests of their own peoples only, and have no interest in cooperating with others in any way whatsoever, even trade.

Some may consider this trend a temporary realignment of peoples, but that's not at all certain, since the peoples seeking realignment hold absolute values that each considers the one and only truth, who are unmoved by evidence no matter how overt, and who seem to have no concern whatsoever for the welfare of mankind as a whole. And although I regret having to say it, our current president seems to fit this characterization to a T. And what he and his supporters are doing to the people of Iraq could just as easily be done to opposing groups of Americans.



Although it may not seem likely to most Americans, the United States could disintegrate just as easily as Iraq has. Victory by the North in the Civil War never fully overcame the disparate values held in the North and South, and those disparate values are the cause of much of what is happening in America today. We are democrats who never fully committed ourselves to democracy, believers in equality who have never promoted it, and proponents of peace, but only if it's on our terms.

## THE UNSPOKEN PERIL OF ECONOMIC GLOBALIZATION

The trouble with economists is that they're abstract analytical thinkers, i.e., if they're thinkers at all. They look at economic problems after disassociating them from all non-economic information, such as, political, moral, and even non-economic historical information. This leads to results that do not fit the real world. Just as president Bush seems to be in denial of the realities on the ground in Iraq, our economists who tout globalization seem to be in denial of the realities in the world.

One peril of globalization seems to have been missed entirely by these economists, and the history of Great Britain can be used to illustrate it.

Great Britain is a relatively small, island nation, which limits its domestic agricultural and industrial production. To overcome this limitation, Great Britain engaged in an imperialistic policy of conquest and colonization. To make that conquest and colonization easier, it directed its efforts to underdeveloped parts of the world, viz. Asia and Africa. This policy of conquest and colonization resulted in the often quoted phrase, The sun never sets on the British Empire. To secure commerce between Great Britain and these conquests and colonies, it built the world's largest navy, and this policy worked well for more than a century. But in the twentieth century, it all fell apart.

Great Britain found itself involved in two catastrophic wars, called World Wars, and the German submarine fleet wrecked havoc on these lines of commerce. If the United States of America had not come to Great Britain's rescue, the British would surely have been starved into submission, because Great Britain, as an island nation, was not self sufficient.

The lesson is that in a world prone to conflict because of incompatible political, economic, moral, and religious ideologies, having to rely on international commerce to maintain a nation's security is a perilous thing.

Furthermore, any imperialistic foreign policy, whether actual or merely economic, creates antagonism. Although the British Empire may have suited the British well, it did not do much for those in its colonies, nor did it earn the British any gratitude. Even today, the Indians honor their World War II veterans who fought on the side of the Japanese, not those who fought for the British.

There is no question that the United States has engaged in imperialistic policies throughout its history, especially since the end of World War II. America has invaded nations whose policies it hasn't liked, engaged in stealthy attempts, often successful, in overthrowing such governments, and employed what is benignly called economic sanctions to compel other nations to do its bidding. These imperialist policies has also earned Americans little gratitude. That the United States is pretty much disliked world-wide is now an apparent fact.

But what has all of this to do with globalization?

Well, the United States of America is no longer a self-sufficient nation. It now depends on imports for almost everything. What would happen to America if a conflict disrupted the lines of international commerce America now depends upon? What if a large portion of these imports could simply not get here? What nation could we rely upon to come to America's rescue?

Certainly not our Latin American neighbors! Many of them would be delighted to see America succumb. This leaves, perhaps, Canada, and I'm uncertain of how much help Canada could be.

Such a conflict, of course, would not have to be world-wide. Transport requires fuel, and a catastrophic conflict in the Middle East might be all the conflict necessary. Furthermore, such a conflict becomes more likely every day.

Some might say that the United States could recover, that it could rebuild its agricultural and industrial base. Perhaps! But that rebuilding would take time, and given the range and destructive power of modern military weaponry, the time to rebuild might be very short indeed.

So what is the peril of economic globalization. It can be put succinctly: Having to rely on international commerce for ones security is a perilous hazard in a world prone to conflict. And our world certainly is.

**THE UTTER STUPIDITY OF BELIEF:  
HUMAN NATURE HAS NOT CHANGED  
ESSENTIALLY IN SIX THOUSAND YEARS**

Oh, How primitive we are still!

Around 1600, when Europeans began to use the methods of learning that are now called scientific, Galileo peered at the moon. In 1969, a man walked on the moon. In fewer than 400 years, people went from peering at the moon to walking on it. Scientific knowledge works. Yet beliefs, claims that are not and often can never be known, have caused human beings to kill each other in wars at least since the first city states were organized around 4,000 BCE. The people who lived in these states believed that their cities were protected by patron deities and when the cities went to war, the war was thought of as fought for or even by the deities themselves. Ever since, war has always had a religious aspect. Armies have always gone into battle believing god was on their side, even when two peoples who claimed to believe in the same god fought each other. The absurdity of that seems to have always eluded people. It is noteworthy that even today the leaders of nations ask their patron deities to bless their countries. The American president, for instance, always asks god to bless America, never the American people. Gods, it seems, only protect states, not their peoples who are decimated in wars for the sake of their nations. Remember John F. Kennedy's "ask not what your country can do for you, ask what you can do for your country." Throughout human history, people, like soldier ants, have always existed to preserve the state rather than visa versa. So here we are, six millennia since the founding of city states, still acting just like the pagans of Mesopotamia. For six millennia of belief guided human history, the progress of human nature has stood still!

I have written previously that mankind is credal rather than rational and that ideology (creed, dogma, belief) is a lie that will not die. Religious beliefs certainly exhibit those characteristics. The primitive nature of religion is also evident. In the Ancient World, religious rites were practices to propitiate gods. Today they are used to dispatch dead souls to their rightful places in eternity. The funerals of Antonin Scalia and Nancy Reagan are examples of rites that date at least as far back as the Roman Empire. It is clear that the conventional notion is that religious belief is a "higher" virtue. Those with it are considered to be better than those without it. This notion persists despite the large number of logical absurdities that have been identified in religious doctrines and other creeds. Remember Tertullian's *Credo quia absurdum*-*"I believe because it is absurd."*

Despite this history, people seem to be addicted to creeds. In the United States of America, whose Constitution prohibits the Congress from adopting a state religion, officials still commonly speak the language of belief-*"In God we trust," "one nation under God,"* and *"God bless America."* Yet religious Americans worship multiple gods. Freedom of religion is a constitutional right. So the word 'god' in these expressions has no definitive denotation. The God of the New Testament is incompatible with the God of the Torah. Americans seem oblivious to the fact that a sentence containing a substantive with no denotation is utterly meaningless, and any connotation it possesses is entirely subjective.

The French, during the Revolution of 1789, sought to destroy the Catholic religion specifically and religion in general. But in 1801, Napoleon signed an agreement with Pope Pius VII marking an end to the attempt. Similarly, during the First World War. Orthodox Russian prelates carried holy icons through the trenches before battles begging God to bring victory in coming

battles only to see the Russian army annihilated instead. So when the Russian Revolution occurred in 1917, the newly created Union of Soviet Socialist Republics banned religion and locked the doors to all churches. Yet in 1991, when the USSR was transformed into the Russian Federation, the church doors were unlocked and the Russian people flocked to churches to resume their faith in the Orthodox Church. Similar attempts to promote the eradication of religious belief are going on in China with little success. What accounts for this persistence of creedology?

In fact, this persistence is so strong that it is commonly considered to be virtuous. The admonition, "Stand up for your knowledge" is never heard, but "Stand up for your beliefs" is common. Yet if beliefs are claims that are not known to be true or cannot ever be known to be true, the admonition advises people to maintain and flaunt their ignorance. Creedology is an attribute of utter stupidity. Still creeds seems to be what human beings live by.

Any nation's "way of life" is defined by its creeds-religious, political, economic, social, educational. No one has ever shown that any of these creeds is better than the others. As a matter of fact, creedology is such a dominant trait of human beings that even science has become a creed. Not only does science consist of a well defined group of methods of learning, it also conveys the belief that those methods will eventually solve all of mankind's problems, a belief entirely like the Christian belief in the Second Coming. But there is not one iota of evidence to support this belief. Instead of science making mankind less creedal, creedalism has made science into just another creed. Science has become nothing but a handmaiden of belief. Scientists are now as much soldiers in ideological wars as seekers of knowledge. This kind of science will never make it possible for human beings to live in harmony with nature or live together in peace. Unless human

beings can be weaned off of this attachment to belief, Homo Sapiens is a doomed species.

But such a weaning might not be possible. The human attachment to belief might be instinctive. In fact, considering the attachment to belief as instinctive might be the only way to explain the human attachment to creeds for over six millennia, which makes all of the horrible deeds of people to be the result of a generic trait rather than personal faults.

Is this stupidity the essence of the human condition? It is if standing up for beliefs is a virtue rather than a vice. Standing up for what is known to be true is the better practice.

People do not wage war over what mankind knows; they wage war over what they merely believe and that is doubly dumb.



## TREACHEROUS TREATIES: AMERICAN IMPERIALISM, WORLD GOVERNMENT AND THE BILDERBERGERS

*“Steer clear of permanent alliances with any portion of  
the foreign world.” – George Washington, 1796*

Is American imperialism a Bilderberger plot? Are the American bankers, diplomats, and members of the Council on Foreign Relations all traitors, having turned America into merely an instrument to carry out their Bilderberger maniacal aims? Does America as a sovereign nation even exist anymore?

Consider the possibility that the Bilderbergers have already bought off the governments of Western Europe, North America, and the remnants of the British Empire that still cling to the Queen’s skirts. If that be true, the only remaining obstacles to a Bilderberger success are the BRICS and the Moslem world. The WTO and promises of free trade and pie in the sky prosperity can be used to subvert the BRICS which leaves the Moslem countries as the last bulwark in defense of free, independent, and sovereign nations. When one realizes just how ironic that is, the realization of just how far the Bilderbergers have already come in advancing their agenda really strikes home.

Sometime during the First World War, the well-meaning but naïve American president, Woodrow Wilson, came up with the idea that every ethnic minority in Eastern Europe was entitled to its own nation, a nation for every ethnicity, and he persuaded the victorious powers to create such nations while writing the peace treaties that ended the war. It was a bad idea.

Before the war, central and Eastern Europe was dominated by Germany, the Austro-Hungarian Empire, and Russia. The Austro-

Hungarian Empire was comprised of more than a dozen ethnic groups. There were Germans (i.e., Austrians), Hungarians, Czechs, Slovaks, Poles, Ukrainians, Serbs, Croats, Slavs, Romanians, and more.

When the war ended, several treaties were imposed on the defeated nations, all of which had to give up territory to the victorious powers and a number of newly created nations (Poland, Estonia, Lithuania, Latvia, Czechoslovakia). Several nations were enlarged (Denmark, Russia, Romania, Yugoslavia, and Italy). The Ottoman Empire was dismembered. Turkey lost most of its land in Europe and Arabia was made into a mandate ruled by the British and French, Syria and Lebanon went to France and Iraq, Transjordan, and Palestine went to Britain. In the end, all of this up-carving was naught but a gigantic failure, the consequences of which we are still living with today.

The bug in the broth was obvious. People migrate. In the fifty-one years of the Austro-Hungarian Empire, peoples moved within it. All Poles did not stay in the area that became Poland; Serbs did not stay in Serbia; Croats did not stay in Croatia. When the empire was dismembered, peoples of all nationalities were everywhere. Putting them together again in homogenous groups was impossible. Additionally, some of those of German nationality ended up in France, Denmark, Poland, Czechoslovakia and who knows where else.

Realpolitik in Europe in the early twentieth century was characterized by a plethora of treaties. Bismarckian balance of power relationships ruled the day. Nations lined up with each other to oppose other groups of nations to balance another

group's power. The idea was that if the groups were equally strong peace was assured. How wrong they were.

Even after the war these balance of power relationships continued. (In fact, they continue to this day.) So when Germany began to balk at the onerous conditions placed upon it by the Treaty of Paris, it wanted to retake the territory it had lost and reunite the German peoples scattered throughout Eastern Europe. The peace lasted a mere twenty-nine years! Germany easily took back the territory that had been ceded to France. The Austrians, being a Germanic people, willingly allowed Austria to be annexed. Then the Germans went for the Germans in the territory that had been ceded to Czechoslovakia. War was on the horizon because England and France objected to all of this German expansion, but they ultimately acquiesced, drawing a line on any German expansion into Poland by committing their countries to go to war with Germany if Poland were invaded. In essence, they wrote a treaty, believing that this treaty would work to balance their power with Germany's and thus prevent war. But it was a sham.

Germany, knowing that neither England nor France were prepared to go to war, invaded Poland on September 1, 1939 after signing the Molotov-Ribbentrop Pact with Russia (the USSR) to keep it from joining England and France. As a result, the English and French made some minor forays into Germany that were easily repulsed, and Germany easily overran Poland. After that, the English were driven from the continent and the French surrendered.

Almost everyone knows this story, so why am I retelling it. Well the story is old news and not important, but no one has analyzed the role of the treaties involved in it.

What effect did the English and French treaty to come to the aid of Poland have? It didn't prevent the war. Nor did it help Poland which was overrun at least twice and utterly destroyed. The English and French never liberated Poland. The treaty didn't extinguish Germany's desire to expand its territory, for shortly after France surrendered, Germans invaded Russia. What did this treaty do? It merely expanded the war.

For the purposes of this paper, it doesn't matter that that expansion may have been a good thing in the long run. What is most important is the recognition that when the treaty was invoked, it diminished the sovereignties of both England and France.

A nation is sovereign when it alone is responsible for its behavior. A sovereign nation can go to war or not. A sovereign nation makes its own decisions. But neither the British nor the French made the decision to go to war. The decision was made in Berlin. The German decision to invade Poland was also a decision to bring England and France into the war. After agreeing to come to Poland's aid, the British and French no longer had any say in the matter. It was all up to Germany.

Germany and Italy were in a similar position. They had a mutual assistance treaty with Japan. When Japan attacked Pearl Harbor, the attack brought Germany and Italy into a war with the United States, a war which neither Germany nor Italy wanted at the time. So the treaty with Japan reduced Italian and German

sovereignties. The decision to bring them into war with the United States was not made in Berlin or Rome; it was made in Tokyo. That decision was completely up to the Japanese. The Germans and Italians had nothing to do with it.

So the interesting question is, do all treaties reduce the sovereignties of the nations that enter into them? I am certain the answer is yes. Treaties which are entered into in hopes of preventing wars ultimately expand them and nations find themselves fighting wars they never conceived of because an insignificant member of a treaty can somehow start a war that then extends to all of the treaty's signatories.

In fact, World War I started in exactly that way. The war which killed more than 15 million and wounded more than 20 million was started by the assassination on June 28, 1914 of Archduke Franz Ferdinand of Austria, by a Yugoslav nationalist. Because of it, Austria went to war with Serbia. Alliances formed over previous decades, brought the major powers into the war within weeks. How many of these nations would have gone to war over that assassination had the treaties not existed? No one will ever know!

None of the nations except Austria had a hand in deciding to go to war. The decision for every nation involved, except perhaps the United States, was made in Vienna. By signing these treaties, each of these nations gave up their sovereignties. They were no longer masters of their own fates.

Since the end of World War II, the United States has insanely fostered treaty making. There are NATO, SEATO, and only Washington knows what else. Any puny nation that is part of any

of these treaties can draw not only the United States but all of the other signatories in to a colossal conflagration. Americans like to pretend that they control these treaty-groups. America refers to itself as a "first among equals." But that expression is an oxymoron. If there is a first, the rest are not equals, and if all are equal, there is no first! How would Americans react if something happened in Bangladesh that drew the United States into a worldwide war? Realpolitik is a recipe for disaster. Why have we not paid attention to the advice of George Washington?

Two European immigrants to America, both Bilderbergers, who speak with heavy European accents and harbor Bismarckian complexes bear much responsibility for this situation, (Bismarck's balance of power policies brought peace to Germany for a mere 43 years) but they are not alone.

However balance of power treaties are not the only culprits. Trade agreements are just as bad. Look at what the Maastricht Treaty which established the European Union has done to Greece and threatens to do to other European countries. Today's Quisling Greek government is now little more than a tool of Europe's more prosperous states. When Greece's former socialist Prime Minister George Papandreou proposed a popular referendum on the Greek sovereign debt bailout, the European Union scotched it. Now Greece no longer has the power to call an election that the Union objects to. Greece has even lost its democracy.

But the effect of trade agreements is far more extensive than the EU.

“ . . . big financial players have another potential weapon in their battle against safety and soundness. This one is more hidden from view and comes from, of all places, the World Trade Organization in Geneva.

Back in the 1990s, when many in Washington - and virtually everyone on Wall Street - embraced the deregulation that helped lead to the recent crisis, a vast majority of W.T.O. nations made varying commitments to what's called the financial services agreement, which loosens rules governing banks and other such institutions.

Many countries, for instance, said they would not restrict the number of financial services companies in their territories. Many also pledged not to cap the total value of assets or transactions conducted by such companies. These pledges also appear to raise trouble for any country that tries to ban risky financial instruments.

According to the W.T.O., 125 of its 153 member countries have made varying degrees of commitments to the financial services agreement. Now, these pledges could easily be used to undermine new rules intended to make financial systems safer.”

So now, nations may not even have the power to regulate their financial institutions which, in fact, extends to their economies as a whole. The World Trade Organization rules all.

So how did that happen? Well, people have been trying to create a world government for a long time. To do that, nation states must be rendered effete. Consider what David Rockefeller said at a Bilderberg meeting in 1991:

“We are grateful to the Washington Post, The New York Times, Time Magazine and other great publications whose directors have attended our meetings and respected their promises of discretion for almost 40 years. It would have been impossible for us to develop our plan for the world if we had been subjected to the lights of publicity during those years. But the world is more sophisticated and prepared to march towards a world government. The supranational sovereignty of an intellectual elite and world bankers is surely preferable to the national auto-determination practiced in past centuries.”

Well given what the “intellectual elite and world bankers” did to the global economy in 2008, do you really want them to rule all? World government, in order to work, requires that ethnic and religious distinctions be expunged. But ethnic characteristics are often physical and the French and the Russians, after their revolutions, tried and failed to extinguish their peoples’ religious beliefs. So how do you believe a new one world government would react to ethnic and religious uprisings world-wide? Would the entire world begin to look like Afghanistan, Iraq, Syria, Palestine, and countless parts of Africa? Is such a world surely preferable to the national auto-determination practiced in past centuries”? More importantly, is American imperialism a Bilderberger plot? Are the American bankers, diplomats, and members of the Council on Foreign Relations all traitors, having turned America into merely an instrument to carry out their maniacal aims? Does America as a sovereign nation even exist anymore? Remember what Jefferson says about banks: “banking establishments are more dangerous than standing armies.”

Consider the possibility that the Bilderbergers have already bought off the governments of Western Europe, North America,



and the remnants of the British Empire that still cling to the Queen's skirts and are now using all of these nations as tools to bring about their goal of imposing a single bankers' government on its New World Order. If that be true, the only remaining obstacles to a Bilderberger success are the BRICS and the Moslem world. The WTO and promises of free trade and pie in the sky prosperity can be used to subvert the BRICS which leaves the Moslem countries as the last bulwark in defense of free, independent, and sovereign nations. When one realizes just how ironic that is, the realization of just how far the Bilderbergers have already come in advancing their agenda really strikes home.

Vidkun Abraham Lauritz Jonssøn Quisling is long dead, but his soul has multiplied and now inhabits the bodies of greedy merchants and maniacal diplomats and politicians the world over. For the most part, these people hold respected places in society. Shouldn't they be vilified instead? What has any Rockefeller or Bilderberger done for you or anyone you know?

## VETERANS DAY-A PARADIGM FOR HOW MUCH WE VALUE LIFE

My stepdaughter and her husband gave me a book for father's day, James Bradley's *Flags of our Fathers*. It should be read by every young person thinking of joining the military.

The book chronicles the lives, from birth till death, of the six marines who raised the flag on Mount Suribachi on Iwo Jima. This flag raising, as you may know, was photographed by Joe Rosenthal, an AP photographer; the photograph earned him a Pulitzer Prize and later became the model for the U.S. Marine Corps Memorial in Arlington, VA. The book is a story of how ordinary, undistinguished men acted with uncommon valor and how they were treated afterward. It is not a pleasant story; it vividly displays the illogical American attitudes toward the men who serve that all veterans have long been aware of.

When we send young men and women off to war, we call them heroic and patriotic. Support our Troops becomes the ubiquitous slogan of the day and anyone who thinks the war is wrong is considered unpatriotic. Some of these young men and women never return, some return maimed, and all return scarred. And then they are virtually abandoned to fend for themselves. How can one explain these perverse attitudes?

I have mulled this question over in my mind for many years, never finding a satisfactory answer. But while reading this book, I had what might be called an epiphany. The answer became as clear as glass, and my opinion is that Veterans Day epitomizes it perfectly.

Veterans Day is a national holiday, one of the four holidays set by date November 11th and was originally called Armistice Day and was established to commemorate the dead of World War I. Being a holiday set by date, it usually falls on a workday. Government

employees and the employees of a few industries get the day off. To veterans who work elsewhere, it is just another workday. The holiday called Veterans Day is not a holiday for most veterans, but it is a day we supposedly honor them. Some honor indeed! This nation either can't afford or is unwilling to even give its veterans one day a year off. That's how we support our troops when the war is over.

I have often heard it said that what distinguishes democracy from totalitarianism is that democratic nations exist for the sake of their peoples while in a totalitarian state, people exist for the sake of the nation. Japan, until the end of the Second World War, is a paradigm. To the Japanese, being willing to die for the sake of the country was considered a great honor, while preserving one's life by surrender was a abject disgrace. The Muslims whom we today refer to as terrorists are another example; dying for Islam makes one a martyr. But let's think about this distinction.

When a nation, democratic or totalitarian, sends people off to war, it must consider those people to be expendable. The Russians during World War II are said to have sent troops into battle in ways that resulted in horrendous casualties. An apt analogy is this: suppose you lend someone something, and the person who borrows it either fails to return it saying it was lost or returns it damaged. If the item was not of much consequence, you might say, Oh, that's okay. I've got more just like it. The item was expendable. That's what people are when they are sent off to war, and it is of absolutely no consequence if some of these expendable people return or return maimed; they are still expendable. To concern ourselves with the welfare of expendable people can be likened to concerning ourselves with the welfare of, say, an expendable shirt. And that is my epiphany. We can abandon veterans because they are just as expendable when they return as they were when we sent them off to war.

So although we like to say that we value human life in ways that other nations don't, we are fooling ourselves.

## WESTERN CIVILIZATION IS DOOMED

*The Nuclear Nonproliferation Treaty:  
Last Gasp of a Moribund Civilization*

*“Peace cannot be achieved through violence, it can only be attained through understanding.” Ralph Waldo Emerson*

When I was a boy, I knew a man who repaired clocks and watches as a hobby. (Quartz watches had not yet been invented.) I often sat for hours in utter fascination watching him work. Then one day, I asked, “Frank, how do you know how to do that?” He answered, “Johnny, what man has done, man can do.” Therein lies the fallacy of the Nuclear Nonproliferation Treaty. Science and technology is a Pandora’s Box. Once opened by one man, company, or country, what is emitted soon becomes everyone’s.

The United States made the first atomic bomb in 1945. The first attempt at non-proliferation was limited to trying to keep the knowledge of how to build the bomb secret. It failed, and within a decade, the USSR (1949), the UK (1952), France (1960), and China (1964) had built bombs. Since then India (1974), Israel (1979), Pakistan (1998), and North Korea (2006) have become nuclear powers, and South Africa has the capability, having produced six nuclear weapons in the 1980s but later disassembled them. Now the know-how is widespread.

Only two nations benefited from World War II: Russia and America. The other nations that made up what is called Western Civilization had become American vassal states; they could no longer act alone. Their national policies become subject to American approval, and when America calls, they, if reluctantly,

become part of some coalition that America decides to build. At the end of World War II, America had become the predominant Western power. But being the predominant Western power did not mean it had become the predominant power, and the non-western world soon realized it even although Americans assumed it had.

The United Nations was ostensibly established:

- \* to save succeeding generations from the scourge of war, which twice in our lifetime has brought untold sorrow to mankind, and

- \* to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small, and

- \* to establish conditions under which justice and respect for the obligations arising from treaties and other sources of international law can be maintained, and

- \* to promote social progress and better standards of life in larger freedom,

AND FOR THESE ENDS

- \* to practice tolerance and live together in peace with one another as good neighbours, and

- \* to unite our strength to maintain international peace and security, and

\* to ensure, by the acceptance of principles and the institution of methods, that armed force shall not be used, save in the common interest, and

\* to employ international machinery for the promotion of the economic and social advancement of all peoples. . . .

Obviously, it has failed. But although those words come from the Charter, they were and are sheer propaganda. The organization was formed by World War II's victorious powers in an attempt to control the world. The Security Council was established in a way that gave those nations absolute control over the organization. Each of the five permanent members of the Council can veto any resolution it disapproves of.

The five permanent members are China, France, Russian Federation, the United Kingdom and the United States—all nuclear powers. Originally they were Nationalist China, France, the USSR, the UK, and the USA—the countries that made up the allied coalition that defeated the axis in World War II. But most of these nations were no longer really great powers. France and the UK had become vassal states of the USA. Nationalist China had been reduced to an island; the real China was Communist and occupied the mainland. The USSR was a Communist world power, that has now been superceded by the Russian Federation. The cooperation that the United States expected from the other members of the Security Council dissipated.

When North Korea invaded the South in an attempt to unify the nation which had been bifurcated for political reasons at the end of World War II, the UN Security Council, at the request of the US and minus the absent Soviet delegate, passed a resolution calling

for the assistance of all UN members in halting the North Koreans. The UN coalition consisted of sixteen mostly Western nations: Australia, Belgium, Canada, Colombia, Ethiopia, France, Greece, Luxembourg, the Netherlands, New Zealand, the Philippines, South Africa, Thailand, Turkey, the UK, and the USA. Although never totally defeated, the coalition managed only to preserve the status quo that preceded the invasion. But the war demonstrated that the Western powers that were victorious in World War II were not invincible, and the French and American debacles in Viet Nam confirmed this vincibility.

The Persian Gulf War (Desert Storm) was again initiated with United Nations authorization by a coalition force from 34 nations to expel Iraqi forces from Kuwait after it was invaded. (Twenty-six nations contributed personnel, many in non-combative roles: the USA, Afghanistan, Bahrain, Bangladesh, the UK, Canada, Czechoslovakia, Egypt, France, Germany, Honduras, Italy, Kuwait, New Zealand, Niger, Oman, Romania, Saudi Arabia, Syria, the United Arab Emirates, and South Korea. More than sixty percent of the personnel came from the USA. Although totally victorious over Iraq's conventional army, for political reasons, the war again merely reestablished the status quo. (In this conflict, South Korea, whose existence was preserved by a similar war fought by a similar coalition, contributed merely one medical battalion. Interesting! Was this really a coalition of the "willing"?)

Since then, US forces have been driven out of Lebanon (1983) and Somalia (1993) and have been bogged down along with other coalition forces in Iraq and Afghanistan for more than eight years. What has become obvious to the rest of the world, and perhaps even American diplomats, is that the armed forces of Western



coalitions and other coalition partners are not invincible. Western Civilization can no longer advance its goals using conventional military means. But the major Western nations are still members of the nuclear club. The last option these nations have of maintaining their control is keeping the nuclear club limited to Western nations as far as possible by means of the NPT and using their nuclear power as a threat.

But American policies alone have made this impossible; it shared its atomic weapons with NATO allies; Belgium, Germany, Italy, the Netherlands, and Turkey store and can deploy atomic bombs. Now although some of these countries have asked the US to remove these weapons, the US refuses to. And although the US hopes to force North Korea to relinquish its weapons and to keep Iran from acquiring them, Americans say nothing about Israeli, Indian, and Pakistani nuclear capabilities. The result, of course, is an argument for the NPT that is seen as disingenuous; it carries no conviction, and American and Western influence on the world wanes.

The North Koreans and Iranians are not moved by American protestations. Israel routinely rejects American policy initiatives. The Russians and the Chinese are, at best, lukewarm about sanctioning Iran, and the Chinese openly laugh at American diplomats who speak in China. Even the peoples of many Western nations deride American policy initiatives. America has lost its preeminent position. It has now become a vassal state of its own making. Everything it wants to do requires the cooperation of its coalitions, and even when it gets it, the initiatives often fail.

Can the expansion and enforcement of the NPT succeed? Doubtful! The knowledge of how to build atomic weapons is widespread; it can no longer be contained. So the policy now is to maintain control of the fissionable material needed to make the bombs. But that has little chance of succeeding. Western policies are too contradictory. As Emerson so aptly put it, "What you do speaks so loudly that I cannot hear what you say."

The United States with all of its policing powers has demonstrated that even it cannot stop the smuggling of contraband into its own land. The nations from which the contraband comes can not stop it, even with American help. How can the US expect other nations to stop it? In many parts of the world, especially the non-Western parts, smuggling has been carried on for centuries. Even Western businesses are often complicit in defying American export controls and sanctions. The initiative is a fool's errand, the last gasp of a moribund civilization. The only hope of avoiding a future nuclear war is the total abolition of nuclear weapons. But once the nations that comprise the Western world do that, their worldly control vanishes.

No civilization in history that collapsed after a period of greatness has ever regained its dominance. Egypt lasted for three millennia; today it is little more than a field for archeological study. The Persian Empire, which lasted for more than three hundred years, became the largest and most powerful empire of its time; today, all that remains is Iran. Greece has never recovered from its collapse after its Golden Age, and the greatness of Rome has been reduced to Italy. When Mussolini tried to revive Roman greatness, he failed miserably. The Spanish, Dutch, French, and English empires have expired and these nations are now mere

vassals states, although France and England still pretend to be world powers. Lasting greatness is not attained by the imposition of power. As with all the great civilizations of the past, Western Civilization is doomed as long as it continues to pursue this method of dominance. The NPT won't save it.

## WHAT INTELLIGENCE?

Have you ever thought about the meaning of the word "insurgent"? Calling the people in Afghanistan who are attacking US and NATO troops insurgents has become common. "Insurge" means to rush or surge in, but the Taliban didn't rush into Afghanistan; they are natives who have always lived there. It was American and NATO troops who surged into Afghanistan; in Iraq, Americans even called one such going in "a surge."

And what about "intelligence" as in intelligence agency? Properly speaking, intelligence is a attribute of human beings. As such, organizations cannot be intelligent. Intelligence is distinguished from intellect by being applied to concrete or individual exhibitions of the powers ascribed to the intellect. People are animals endowed with intellect, not intelligence; intelligence refers to the extent to which a person is able to use his intellect. An organization cannot use its intellect, because it has none.

America has a vast "intelligence" conglomerate of organizations. The NSA, CIA, FBI, various branches of the military have "intelligence" groups, and other agencies, too, are involved in so called intelligence. This conglomerate is likely the largest the world has ever known, and its costs are huge, the total cost of which is a deeply held secret. It has vast technical apparatuses used to watch people, see what they do, hear what they say, read what they write. And yet, all of the money spent, all of the people employed, all of the apparatuses used are insufficient. These agencies have shown, over and over again, that they rarely learn what they seek.

The information gathered is derived from many sources. Much is speculative, some is contradictory. It often amounts to little more than hunches. Some is correct, much is not.

In Afghanistan, NATO and US forces grossly underestimated the Taliban's capacity to mount a vicious counteroffensive. No one

predicted the use of suicide bombings. In Somalia, the U.S. backed warlords that had ruled Mogadishu for two decades were suddenly overthrown by a bunch of lightly armed mullahs called the Islamic Courts Union. Few in the State Department seemed to have heard of this grassroots movement before it took over the country. The United States also failed to predict that Uzbekistan would close down the American base that had been there since 2001, downgrade relations with Washington and tilt decisively toward China and Russia. After the Palestinian elections, Secretary of State Condoleezza Rice stammered that the victory of Hamas came as a complete surprise to her. The mother of all intelligence failures, of course, was the CIA's inaccurate prediction that Saddam Hussein's regime would be found to have weapons of mass destruction. One of the main charges against the CIA and FBI post-9/11 is that they failed to join up the dots beforehand. The killings at Ft. Hood resulted from an intelligence failure. The FBI had information about Hasan's extremism, but didn't investigate enough. Intelligence agencies apparently cannot make connections between bits of information to make a coherent whole. But who can blame them. Bits of information scattered here and there can be likened to needles in multiple haystacks. Too much information is as impossible to deal with as none.

So what's wrong with this picture:

The United States of America, in all likelihood, has the largest and most expensive intelligence gathering service the world has ever known. We can assume it operates everywhere, even Timbuktu.

The United States of America tortures prisoners to acquire intelligence.

If the huge intelligence gathering service works effectively, why is the torture necessary? And if torture is necessary, doesn't it mean that the huge intelligence gathering service doesn't work? One or the other has to be unnecessary. Which one?

People who believe, as our leaders seem to, that both are necessary are involved in contradictory thinking which distorts every rational thought process. Is it any wonder that American policies are ineffective? Only insane people think this way! Intelligence gathering does not produce intelligence. As the results mentioned above show, only ignorance is produced. Given all the means 21st century snoops have for gathering information, why do they have to resort to medieval methods? The only possible answer is that the practices employed by the agencies don't work. But history has shown that torture doesn't either. The Grand Masters of the Inquisition immolated many who were completely innocent.

When a nation as powerful as the United States goes to war on the basis of bad information, where does that leave the world? We have squandered thousands of lives and hundreds of billions of dollars, we have projected force without intelligence and that is folly. . . . That is how nations fall and that is how nations lose power.

## WHY THE WARS CAN'T BE WON

Edmund Burke's statement, "Those who don't know history are destined to repeat it" is frequently cited, but in truth, even history's obvious lessons are unrecognized by many who know history very well.

There was a time when every school child could recite the Gettysburg Address from memory, especially its famous peroration: "we here highly resolve that these dead shall not have died in vain, that this nation shall have a new birth of freedom, and that government of the people, by the people, for the people shall not perish from the earth." But that resolution has largely gone unfulfilled. So exactly what did the Civil War accomplish?

Most certainly, it preserved the union territorially and abolished slavery-two noteworthy things. But the slaves who were freed, rather than being benefited by their freedom, were left in the lurch, and the prejudicial attitudes of Confederate whites were most likely hardened; they certainly were not softened. So although the war united the nation territorially, it failed to unite its peoples, and that division is still evident today.

After the 2004 Presidential election, The Dallas Morning News ran a feature about this division titled Beyond the Red and Blue. Using the red states that went to President Bush and the blue states that went to Senator Kerry, it pointed out how red and blue states ranked in various categories.

People in red states are less healthy than those in blue states.

People in red states earn less than those in blue states.

People in red states are less educated than those in blue states.

More people in red states live in mobile homes than those in blue states.

The red states have higher birth rates among teens than the blue states.

More people are killed by guns in the red states than in the blue states.

And the Dallas Morning News missed a number of other inferior attributes of the red states.

The red states have higher rates of poverty, both generally and among the elderly, higher rates of crime, both general and violent, have higher rates of infant mortality and divorce, and have fewer physicians per unit of population than do the blue states.

These statistics do not paint a pretty picture. And since the red states are commonly referred to as the conservative heartland, one would think that the people who live in these states would vote against conservative candidates merely on the basis of their own rational, self interests. But they don't.

There's an obvious clash here, for the red states are the home of that group that calls itself "moral America." But how can a moral viewpoint countenance poverty, crime, and infant mortality? What kind of morality is it that doesn't care for the welfare of people? Just what moral maxim guides the lives of these people? Certainly not the Golden Rule, the Decalogue, or the Second Commandment of Christ. From what I have been able to gather,



moral America needs a new moral code. The one it has is, to use a word the members of this group dislike, relative.

So what motivates the conservative nature of the people in the red states? Let's look at some history.

For a century after the Civil War, the south voted Democratic, but not because the people shared any values in common with the rest of the nation's Democrats. (Southerners even distinguished themselves from other Democrats by calling themselves "Dixiecrats.") These people were Democrats merely because the political party of the war and reconstruction was Republican. And when, in the mid-twentieth century, the Democratic Party championed an end to racial discrimination, these life-long Democrats quickly became Republicans, because the Republican party had in the intervening years become reactionary.

What motivates these people even today, though most likely they don't recognize it, is an unwillingness to accept the results of the Civil War and change the attitudes held before it. When a society inculcates beliefs over a long period of time, those beliefs cannot be changed by a forceful imposition of others. The beliefs once practiced overtly continue to be held covertly. Force is never an effective instrument of conversion. Martyrdom is preferable to surrender, and even promises of a better future are ineffective.

So what did the Civil War really accomplish? It united a nation without uniting its people. The United States of America became one nation indivisible made up of two disunited peoples; it became a nation divided, and the division has spread.

Therein lies a lesson all nations should have learned. By the force of arms, you can compel outward conformity to political institutions and their laws, but you cannot change the antagonistic attitudes of people, that can remain unchanged for decades and longer waiting for opportunities to reassert themselves.

Any astute reader can apply this lesson to the present day's activities in the Middle East. Neither force nor promises of a future better than the past can win the hearts and minds of people. And soldiers who die in an attempt to change another people's values always die in vain.

All wars, even when carried on by the strongest of nations against weak opponents, are chancy, and their costs, in every respect, are always much more than anticipated, even putting aside the physical destruction and the lives lost.

Nations that have started wars with the psychological certainty of winning rarely have, and when they have, the results were rarely lasting or those sought. As Gandhi once observed, "Victory attained by violence is tantamount to a defeat, for it is momentary."

The Crusaders, fighting under the banner of Christ, could not make Palestine a part of Christendom. France, under Napoleon, conquered most of Europe but lost it all and Napoleon ended up a broken man. Prussian militarism prevailed in the Franco-Prussian War, but in less than a century Germany had lost all. The Austrians in 1914 could not only not subdue the Serbs, the empire and its monarchical form of government were lost. The

Germans and Japanese after 1939 and astounding initial successes were reduced to ruin.

But even the winners are losers.

Americans won the Mexican War and acquired the southwestern United States, but that conquest brought with it unfathomable and persistent problems-racial prejudice, discrimination, and an irresolvable problem of immigration and border insecurity. Americans likewise won the falsely justified Spanish American war and acquired a number of colonial states but were unable to hold most of them. The allies won the Second World War, but France and England lost the colonies they were fighting to preserve, and these two powers, which were great before the war, were reduced to minor status (although both still refuse to admit it). Israel has won five wars against various Arab states since 1948, but its welfare and security have not been enhanced, and Arab hatred and intransigence has grown more common.

People need to realize that after a war, things are never the same as they were before, and that even the winners rarely get what they fight for. War is a fool's errand in pursuit of ephemera.

At the end of World War II, American leaders wrongly assumed that America's superpower status gave it the means to impose its view of what the world should be like on others everywhere. Then came Korea and the assumption proved false. Despite all of the destruction and death inflicted on the North Koreans, their attitudes went unchanged. The lesson went unlearned. It went unlearned again in Viet Nam, after which Henry Kissinger is reported to have naively said, "I could not believe that a primitive people had no breaking point." The Vietnamese never broke.

Now again Americans are foolishly assuming that the peoples of the Middle East will change their attitudes if enough force is imposed for a long enough time and enough promises of a better future are made. History belies this assumption.

Unfortunately, history teaches its lessons to only those willing to learn, and the American oligarchy shows no signs of having such willingness.

So let's start singing bye-bye, Miss American Pie

Warring is nothing but a bad way to die!

## WILL MANKIND SUFFER THE FATE IT DESERVES

I've been off of blogging for some time; world events have been too depressing to generate the desire needed to blog. The devotion of politicians to age-old, failed policies is pushing mankind to catastrophes heretofore too unimaginable to talk about.

In spite of all the available evidence that the use of carbon-based fuels is destroying the qualities of the atmosphere that are necessary to preserve the climatic conditions that have made animal life possible, the political power structure makes abandoning this reliance on carbon-based fuels virtually impossible. The claim that no causal link has been proven between the use of these fuels and global warming is specious, for if we wait until absolute proof exists, the damage may be irreversible.

The disputes the Western world has with countries such as Iran and North Korea over the development of nuclear weapons has reached a feverish level of heat that is reminiscent of the heat generated when the Austrian Crown Prince was assassinated in Serbia that led to the Great War. And this heat is being generated by propaganda that has no basis in reality.

First, knowledge is a Pandoras box. When a scientific discovery is made, no bounds can be placed on its implementation. Sooner or later, the results of the discovery become available to all. Second, we are inconsistent in our application of prohibitions. Israel has atomic weapons, but no one seems to care. But when Israel's neighbors attempt to acquire such weapons, everyone screams, No, no way! Yet we have a history to consult. The Western nations tried to keep the Soviet Union from developing such weapons and failed. When those nations were confronted with the reality of Russian atomic weapons, the policy of assured

mutual destruction was developed which many claim was responsible for maintaining the peace. Yet if AMD worked for the Western nations and the Soviet Union, why shouldn't it work for Israel and its neighbors? The Arabian states are justified in fearing attacks from Israel using the bomb, and the only adequate defense they can build is their own bomb and the threat of assured mutual destruction. Somehow it seems that the Western world's political leaders are merely too stupid to realize that the peace cannot be preserved by going to war.

The Western world's conflict with the Moslem world is, of course, of the Western world's making. It was the Western world that carved up the Middle East after the Great War to suit the national interests of Western nations. And it was a perfidious carving, for the Arabs had been induced to become allies of the Western nations with the promise of independence which they were then denied.

The state of Israel is also a creation of the Western world, and it was equally perfidious and illogical. True the displaced European Jews, a race that has suffered centuries of discrimination at the hands of the Western nations, were deserving of some recompense for their sufferings. But now those Jews were being led to believe that their salvation would now come at the hands of those same Western nations that for centuries had inflicted the pain. And just as going to war to prevent war is an oxymoron, so too is displacing another people to make room for other displaced people. Creating the state of Israel by displacing the Palestinians was a solution of the problem of displaced Jews that could not possibly succeed. All that the creation of the state of Israel accomplished was to move the problem of displaced people from Europe to the Middle East.

The state of Israel is itself a curious creation. Its own use of military force for almost sixty years has not produced the effect

envisioned; yet, it refuses to abandon that policy. The displaced Palestinians are no more docile today that they were in 1948, and Arab hatred of Israelis has, if anything, increased. Without Western financing, Israel would have had to change its policies or perish a long time ago. And it is doubtful that even today, with Western financial support, that the state of Israel is sustainable. Just as even some Israelis themselves acknowledge, demographics alone is a major enemy. Unless both Israel and their Western supporters change their policies, sooner or later Israel will be overwhelmed by the sheer number of Arabs in their midst, unless, of course, the Western nations are willing to commit a massive genocide of the Arab peoples.

Yet the world persists in these suicidal policies. Is the cause ignorance, stupidity, or hubris? It doesn't matter, does it? Whatever the cause, the result is the same. Continued conflict, massive killing, and perhaps extinction of the human species. Perhaps that's the result our species deserves; it may be the only way to rid the world of the evils we humans have perpetrated and continue to perpetrate.

Religious theologians have said that mankind has been created in God's image. Surely that is the grossest blasphemy ever uttered.

## WINNING THE WARS IN AFGHANISTAN AND IRAQ

Human beings apparently have a predilection for allowing meaningless language to influence their thoughts and actions. People are asking, for example, Are we winning the war in Iraq? Some answer in the affirmative, others in the negative, but does anyone really know what this question means?

For example, if we take World War II as the paradigm (we could go back much further) the scenario is two or more countries each with its own national army declaring war on each other. Battles ensue and eventually one side surrenders, bringing about a peace treaty. At the end of World War II in Europe, Germany signed a document of surrender with each of the allied countries. And that is what winning a war meant: one protagonist surrenders to another. But World War II was the last war of that kind.

The Korean war started out just like World War II, but strange things happened during its prosecution. North Korea, a nation with its own army, attacked South Korea, another nation with its own army. As the collapse of the South Korean army became evident, the United Nations stepped in with its coalition of forces. But the United Nations is not a country. If the coalition forces had been routed, would the United Nations have surrendered. Not likely. When it looked like the coalition forces were going to prevail, China entered the conflict but without a declaration of war. The war's original protagonists had become irrelevant; they were out of the picture. The war was being carried out between the coalition forces of the United Nations and the Chinese army. But neither the United Nations nor any of the countries in the coalition had ever declared war on either North Korea or China, and China and North Korea had never declared war on the United Nations or any of its coalition countries. Who would have surrendered to whom to bring about the end of this war? Of



course, no one ever did, and the war has never officially ended; yet the world goes on its merry way just as if it did. But no one won.

Then came the Vietnamese fiasco. A South Vietnamese insurgency began what amounted to a revolt against the South Vietnamese government and its French colonial masters. The North Vietnamese supported the insurgency in various ways, including sending in what amounted to a North Vietnamese army to attack the French. The United States entered the war in support of the French, and when the French withdrew, the United States ended up fighting the North Vietnamese without either having declared war on the other in a country which was not the homeland of either. As we know, the South Vietnamese government and army eventually collapsed, the United States withdrew, no one ever surrendered, South Vietnam was abolished, and the fighting ended. I pressure that, in a sense, the North Vietnamese won, but I doubt that the generals in the Pentagon will ever admit it.

Now there is Afghanistan and Iraq, the United States being the other protagonist. But the Congress has never declared war on either of these countries, and neither has ever declared war on the United States. Of course, initially, armies started out to fight armies in these wars, but although both the Afghanistani and Iraqi armies were defeated, neither ever surrendered, nor did their governments. Instead, each turned into native insurgencies, neither of which is supported by a national government. So who is going to surrender to end these wars? No country, since the governments that were in charge when these wars started are no longer in existence, and certainly not thousands of disparate insurgents. If the insurgents stopped fighting, the war would be over in some sense. But who would have won?, which really depends on what happens afterward. If the country survives and

is united by a government acceptable to Americans, then perhaps the United States could say that it has won. But what if no united government acceptable to Americans emerges? What if the United States withdraws and the insurgency goes on? What if Iraq is broken up into three separate entities aligned with sympathetic neighboring countries? What if, like in Palestine, the insurgency goes on for more than fifty years without a resolution? What then? Will anyone have won or lost?

Once upon a time, wars had a beginning, a conflict, and an end. Today they do not. Once begun, wars can go on indefinitely. In some, the fighting eventually stops without the war's ever being ended; in others, the fighting goes on and on as in Palestine. Wars no longer are declared, and antagonists no longer surrender. Only the killing endures.

People should be wary of starting wars without defining specifically what would constitute winning them. If there is no way of knowing when a war has been won, all wars are lost.

