

What Would It Look Like If Civilization Had A Nervous Breakdown?

Nervous breakdown

Non-clinical definition: general term for various emotional disorders causing severe life disturbance.

Symptoms: inability to cope.

Causes: Extreme stress, emotional trauma, grieving, severe anxiety.

I recently read a fascinating article that referred to a discipline known as ponerology. [1] It captivated me because I had never before considered the hypothesis it raised: that our systems of government and commercial enterprise across the globe have been irreparably corrupted by a “critical mass” of evil people, who some have eloquently termed “pathocrats.” That would explain so much about our world today and why everything seems reversed: what was once wrong is now right; truth, once considered noble, has given way to endemic dissembling; where we once championed helping people in need, today we push them away (as in the case of the homeless) or simply kill them (as in Palestine); knowledge is scorned, while unsubstantiated belief is embraced.

The world today reminds me of that excellent Star Trek episode, titled *Mirror, Mirror*, [2] in which in the midst of the transporter beam, several crew members swap places with their counterparts from an almost identical parallel universe, but in which everything is backwards: evil is endemic, violent ascension is admired, the administration of pain thinly conceals a latent pornographic lust, just like in the case of our own Abu Ghraib prison scandal.

While I tend to focus on the United States because I’m intimately familiar with it, many of the topics discussed in this essay apply globally. One surprising observation is that nearly all of the references cited herein are recent, collected in real-time over just a few weeks. In fact, there were many more examples of our civilization’s insanity that I could have cited; those cited herein are a small fraction of the articles I read in the course of writing this essay. Extrapolate this small sampling of evidence over an entire year or several years, and the pervasive insanity enveloping us appears overwhelming. I didn’t set out to write a “book.” I intended to write a modest essay, suitable for publishing as a web page. But I encountered so much supporting material that was impossible for me to exclude that the essay just kept growing.

One caveat: this essay was composed over a period of several weeks. During the course of writing it, some global conditions have oscillated with such volatility that it’s been difficult to keep the essay up to date. By the time you read this, conditions, particularly in the financial world, may already have changed dramatically from those described herein.

Critical Mass of Evil

Like any system, our governments and commercial enterprises can tolerate a certain number of “defects.” But what happens if the number of defects exceeds some sort of critical mass? Most systems break down when the number of defects becomes too great. When there are just a handful of evil people in an organization, the overwhelming number of decent people can block the actions of the evil ones, force them to change, or even drive them from the organization. But when the evil ones attain a critical mass, then the reverse occurs: decent ones are overwhelmed and have to either suppress their feelings, mimic the evil ones, eventually becoming corrupted themselves, or leave the organization.

For decades I’ve harbored a growing sense that “something is wrong” with “the system,” a feeling that has sharply intensified in the last few years. I have often attributed the collective depravity of our civilization to the gnawing realization among its citizens that our way of life, being overly dependent on injections of dwindling fossil fuels, is unsustainable. [5] I think that latent understanding partly explains our depraved society, but I think there’s more to it than that. People facing adversity have often demonstrated a willingness, even an eagerness, to cope with it in a manner that’s fair to all those affected. Ironically, people often seem to be at their most generous during crises, when resources are scarce. But today, facing a scarcity of vital resources, we’re doing the opposite: instead of sharing, the vilest among us are selfishly hoarding.

I’ve never been totally comfortable in our society. My first recognition of the malignancy afflicting our society arose when I was about six years old and was shocked to learn that hospitals profited from peoples’ illnesses. Today, after a lifetime being bombarded with ever more shocking examples of our civilization’s pathological behavior, I feel downright estranged from “civilization.”

For decades people have urged “fixing” the system, primarily by working within it: political organizing, voting, legislation, conscientious spending, etc. Everybody who has expressed an interest in fixing the system, including me, seems to be operating from the assumption that the system is fundamentally sound, but that it just needs a few tweaks in the right places to perfect it. But what if that basic assumption is completely wrong? What if the system is so hopelessly broken and corrupt that it cannot be fixed? This is a possibility few seem willing to consider; I’ve only just begun to consider it.

Civilization, as we know it, is largely the creation of psychopaths. All civilizations, our own included, have been based on slavery and “warfare.” Incidentally, the latter term is a euphemism for mass murder.

The prevailing recipe for civilization is simple:

1) Use lies and brainwashing to create an army of controlled, systematic mass murderers;

2) Use that army to enslave large numbers of people (i.e. seize control of their labour power and its fruits);

3) Use that slave labour power to improve the brainwashing process (by using the economic surplus to employ scribes, priests, and PR men). Then go back to step one and repeat the process.

Psychopaths have played a disproportionate role in the development of civilization, because they are hard-wired to lie, kill, injure, and generally inflict great suffering on other humans without feeling any remorse. The inventor of civilization — the first tribal chieftain who successfully brainwashed an army of controlled mass murderers — was almost certainly a genetic psychopath. Since that momentous discovery, psychopaths have enjoyed a significant advantage over non-psychopaths in the struggle for power in civilizational hierarchies — especially military hierarchies. [123]

Several aspects of our modern existence – competitiveness, the massive scale of our systems, and advanced technology – have virtually guaranteed our arrival at our present diseased state. Competition, whether in government or business, gives unscrupulous, heartless, conscienceless people – sociopaths – a distinct advantage over decent people, ensuring that after a long enough time, the upper tiers of government and business will be dominated by evil people. Decent people will be continually bypassed by their more ruthless competitors, who hunger more for power and deliver higher profits at the expense of their humanity. Decent people who would otherwise wish to remain in the organization will eventually be forced out or leave out of disgust. I would imagine that once the top tiers of an organization become dominated by evil people, whose positions of authority give them the freedom to act out their antisocial tendencies, that it would produce a trickle-down effect within the organization, with each lower level becoming systematically dominated by like-minded individuals who feel free to exercise the same mentality and tactics as their bosses, until eventually this culture of evil trickles down to the lowest levels of the organization. One only has to look at a few examples to see this in action: organized crime, law enforcement agencies, corrupt corporations, such as one bankrupt former energy giant.

The massive scale of our societies, governments (including their military organizations), and corporations creates a perfect terrain in which evil individuals can operate more or less anonymously, at least until they reach a level of authority that permits them to operate openly. The complexity of our systems and rules creates numerous plausible explanations for the actions of evil people, making it possible for them to conceal their true intentions. For example, a president of one country can claim that he is attacking another country in order to preemptively disarm that country of its weapons of mass destruction, to introduce “democracy,” or to stem the threat of terrorism emanating from that country. All of these are plausible explanations that allow the president to conceal his true motives, which might be to control that country’s oil resources or establish a permanent foothold in a vital region of the world.

Consider, by contrast, a small town or a small business. Could evil people operate freely in such organizations? It would take no time at all for the decent people in a small town or business to confront

and neutralize the evil ones. But in a vast organization, evil people can operate namelessly, undetected, methodically clawing their way to the top. Even if decent people within the organization recognize the evil ones amongst them, what can they do about it? They have no authority to confront the evil ones. Should they complain to their bosses, who are probably even more evil?

Advanced technology gives its bearer an advantage over everybody else. Historically, humanity's most advanced technologies have been introduced in weaponry, under the auspices of a nation's military. Since the military is one of the systems that particularly lends itself to domination by sociopaths, these people then, typically enjoy a technological advantage over everybody else, at least for a while. It has been said that military secrets are the most fleeting. It has certainly been the case that some military secrets have migrated into the civilian domain: guns, television, the Internet, GPS devices. As the rest of society, the "normal" part of society, acquires technologies that were once exclusive to those in power, the playing field is slightly leveled. For example, for a while guns leveled the playing field, which is why the authors of the U.S. Constitution included the Second Amendment. Guns were presumed to be the last line of defense against governmental tyranny. Unfortunately, the government has since developed more advanced weapon technologies that render guns largely obsolete. Nevertheless, the government has still sought to ban guns from the hands of the rest of us as much as possible. Slowly but surely it is disarming the civilians under its control in order to restore one of its oldest technological advantages. Before television content was under the total control of the fascist plutocracy, as it is today, it briefly helped level the playing field by delivering genuine information and keeping government in check. Older people may recall seeing on the television vivid footage of the war in Vietnam and the soldiers' bodies coming home. Thanks to fascism, we don't see similar images from the ongoing war in Iraq. The Internet has done more to level the playing field than any other technology, enabling a historically unprecedented dissemination of information by ordinary individuals, which is why those in power are now trying to undermine it. China maintains a virtual hammerlock on Internet access in that country. And here in the U.S., the "net neutrality" debate is really about making the Internet too expensive for all but those very same voices that dominate television today and serve the existing power structure. Although advanced technologies have slipped into the hands of the unruly public, those in power are making every effort to reclaim some of those technologies even as they develop more advanced technologies.

What would happen to a society if its most important institutions essentially became criminal enterprises that no longer served society, but instead served those in control of those institutions? It would seem that a societal breakdown – not unlike a nervous breakdown in an individual – would follow. Look at our failed educational system, our failed health care system, our failed justice system. Education, health, and justice are supposed hallmarks of civilized society, yet our society seems utterly impotent to fix these broken systems. Meanwhile, our society continues to deteriorate as a result.

Lying, hypocrisy, and irony have become second nature anymore to those in power, and I truly believe many of the practitioners of these ignoble techniques are unaware that they are even employing them. Witness President Bush comparing Congress to appeasers of Hitler. [3] Apparently lost on President Bush is the irony that the very same U.S. Congress has "appeased" his own rise to Hitlerian stature! Even more ironic and hypocritical is that President Bush's own ancestors reputedly had close ties to the elites ruling Nazi Germany. [102]

There was a time when free speech and rational debate were not just tolerated, but encouraged. Tolerance of free speech, especially of unpopular ideas, is enlightened and civilized behavior. Yet today Germany and Austria imprison people who express their opinions doubting the official tale of the holocaust during World War II. To quote *Spiegel Magazine*:

*British historian and Holocaust denier David Irving, arrested last month in Austria where his **views are illegal**, is busy preparing his trial in a Vienna prison. Could this be the eccentric Hitler admirer's final act of provocation? [7]*

*German police are investigating a 29-year-old man suspected of shaving **banned Nazi symbols** into his dog's fur. [32]*

Illegal views, banned symbols? When Orwell's novel, *1984*, was written, the notion of "thought crime" was preposterous. The mere concept of one's thoughts being made criminal was one of the things that made his book so frightening. Yet here we are in the year 2007, and certain thoughts are most assuredly illegal, enough so to get one sent to prison. [4] England has embraced *1984*, not as a warning, but as a how-to manual.

Many times I have encountered disbelief from people when I've tried to explain the state of the world today. I'm often surprised that other people are surprised by what I have to say. People have responded to me with naive statements of denial like, "Oh, they wouldn't do that," or, "Things aren't as bad as people are making them out to be." So I've written this essay in the hope that I can persuade some readers that the world today really is controlled by a critical mass of people who *do not* have our best interests at heart, and that it's resulting in the destruction of "civilization."

Retreat From Reason

I'm an extremely rational, scientific person. I look at the natural world and it makes perfect sense to me. But I look at the human world and it appears irrational. Because I'm open-minded and self-examining, I'm tempted to conclude that I am the one who's deviant, that I should be mimicking everybody else. But I feel in my heart that I'm right about the way I conduct my life and treat others.

Possessing a strong interest in economics, I've been baffled for years by the apparent willingness of Americans to vote against their own economic interests. For instance, one-quarter to one-third of Americans still support President Bush, even after seven years of his ravaging the nation's economy, helping to destroy the standard of living of all but the wealthiest few percent of Americans.

Yet the most important question in the 2008 U.S. presidential campaign is not what steps the candidates will take to improve Americans' standard of living, or whether the candidates will abide by the Constitution, or whether they will end the U.S.'s belligerence around the world. No, the most important question seems to be whether Mr. Giuliani spent public funds on his mistress. [41, 83]

Consider the rampant fear of seemingly everything, which pervades American society. [104] The newest irrational, snowballing societal fear seems to be about climate change:

The scare over global warming, and our politicians' response to it, is becoming ever more bizarre. On the one hand we have the United Nation's Intergovernmental Panel on Climate Change coming up with yet another of its notoriously politicised reports, hyping up the scare by claiming that world surface temperatures have been higher in 11 of the past 12 years (1995-2006) than ever previously recorded.

This carefully ignores the latest US satellite figures showing temperatures having fallen since 1998, declining in 2007 to a 1983 level - not to mention the newly revised figures for US surface temperatures showing that the 1930s had four of the 10 warmest years of the past century, with the hottest year of all being not 1998, as was previously claimed, but 1934. [33]

The shrinkage of the ice covering Greenland is frequently trotted out as proof-positive of anthropogenic global warming. It appears, however, that 1,000 years ago Greenland had a temperate climate that was suitable for farming, that is until the "little ice age" set in and the settlers were driven off the land some 500 years ago. In other words, the warming we see in Greenland today is simply returning the climate to what it was 1,000 years ago, long before humans could possibly have affected the climate. I don't dispute that the Earth's climate might be changing – I'd be surprised if it weren't – but if Greenland is warming, it's probably the result of a natural cycling of temperatures. [40]

*Climate scientists at the University of Rochester, the University of Alabama, and the University of Virginia report that observed patterns of temperature changes (‘fingerprints’) over the last thirty years are not in accord with what greenhouse models predict and can better be explained by natural factors, such as solar variability. Therefore, **climate change is ‘unstoppable’ and cannot be affected or modified by controlling the emission of greenhouse gases, such as CO₂, as is proposed in current legislation.** [89]*

Despite the likelihood that humans are neither causing global warming, nor capable of halting it even if it’s happening, the EU, Australia [44], Canada [43], and the U.S. are proposing to ban incandescent light bulbs in favor of fluorescent and other types of bulbs. What about the toxic substances in fluorescent bulbs that will end up seeping into the environment? What about the energy costs involved in manufacturing billions of replacement bulbs? What about light fixtures with dimmers, three-way switches, and such, that cannot accommodate fluorescent bulbs and would have to be replaced? Why not save energy by simply using dimmer switches on incandescent bulbs? Or by turning on fewer lights at a time? I once lived in an apartment which had a painfully bright row of light bulbs above the bathroom sink. I simply unscrewed every other bulb, dimming the light fixture and saving energy in the process. Energy conservation can be that easy. There’s no need to legislate conservation behavior, except to enhance the power of government.

Nonetheless, worn-out compact fluorescents, watch batteries, and other items that contain mercury still need to be recycled properly. [44]

And what if fluorescent bulbs are not recycled properly? Who is going to dutifully recycle their fluorescent bulbs rather than simply toss them in the trash? Why not instead spend our money and time trying to make each house energy self-sufficient by means of solar and wind power? Then it wouldn’t make any any difference which kind of light bulbs such homes used and it would make our electricity production system much more resilient compared to the massively interconnected and flimsy electrical distribution grid we have now. (Hint: the elites don’t profit if people are capable of generating their own electricity.)

This whole anthropogenic global warming hysteria has gotten so preposterous that people are now splitting hairs to determine *which* people, in particular, are most responsible for the problem:

*Scientists have quantified for the first time the extent to which **divorce damages the environment.** The researchers found that the combined use of electricity across the two new households created rose 53% while water use was up by 42%. [92]*

So now single people are singled out and demonized for consuming more than their fair share of electricity and water? I would laugh at these idiots promoting this global warming hysteria if the liberty-threatening consequences ensuing from it weren't so ominous.

We poison our domestic water supply by pumping fluoride into it without any scientific justification, and then import bottled water from Fiji! For a lark I once bought a bottle of water from practically the opposite side of the world, from New Zealand. My conclusion was that it indeed tasted like water. Half the bottled water sold in the U.S. is merely tap water, perhaps run through a filter. Sometimes it's not even as sanitary as tap water! Yet people willingly pay a hundred times as much for this bottled tap water as they would pay for it directly from the tap. It reminds me of the days of old when people sold "healthful" elixirs from the back of a traveling wagon. If we really want to protect the environment, instead of banning incandescent light bulbs, we might want to consider banning all those unnecessary plastic bottles used to deliver water in the most absurd and inefficient manner.

Disease seems to be embraced these days, as suggested by the plethora of drugs advertised on American television for the treatment of every minor discomfort. Sometimes it seems that people *want* to be sick, as if it's some kind of badge of honor or a means to attract sympathy and attention.

*Carlos nonchalantly asks whether his drink was made with whole or skim milk. He takes a moment to slurp on his grande Caffè Mocha in a crowded Starbucks, and **then he gets back to explaining how much he wants HIV**, the virus that causes AIDS. His eyes light up as he says that the actual moment of transmission, the instant he gets HIV, will be "the most erotic thing I can imagine." He seems like a typical thirty-two-year-old man, but, in fact, he has a secret life. Carlos is chasing the bug. [155]*

I vividly recall my astonishment at overhearing gay men in San Francisco discussing with seeming pride how many medications they were taking to treat AIDS. The term "survivor's guilt" is sometimes applied to people who have *not* been afflicted by AIDS. I'm not belittling the suffering of people coping with AIDS, but how screwed up is our society that people seek to be sick or feel guilty about *not* being sick?

Consider the polio outbreak in Nigeria that was *caused* by the very vaccine that was intended to prevent the disease.

*What's needed to stop Nigeria's outbreak is **more of the same** vaccine that caused it. [42]*

That sounds just like the proposed remedy for the credit crisis sweeping the globe: to solve the problems created by excessive credit, we simply need to throw more credit at the problems! Wouldn't a poor place like Nigeria benefit more from farming assistance that produced adequate nutrition than

vaccines? (Oh, I forgot, the elites only benefit when they can sell something to somebody. They derive no further benefit once they help people become self-sufficient.)

How about the growing evidence that antidepressant medications *cause* suicide? [72] Or evidence that these drugs are not just killing the patients, but turning some of them into killers as well! [73] Why are we so devoted to inefficacious medicines to treat depression when the cheapest and safest treatment for depression is essentially free: a healthful diet, exercise, proper rest, and having someone to talk to? (Oh, that's right...)

We ban efficacious and safe natural drugs, such as marijuana, while promoting dangerous, ineffective drugs for profit. We ban harmless marijuana but permit the sale of a more dangerous drug called alcohol. We make some drugs illegal and as a result suffer increased crime and violence, the very things that drug prohibition is supposed to reduce. It's as if the lesson of the failure of alcohol prohibition in the 1920s and 1930s has been totally forgotten. Oh, wait, it has been forgotten. Here is a summary description of the most dangerous drug category, according to the DEA:

(1) Schedule I. -

(A) The drug or other substance has a high potential for abuse.

(B) The drug or other substance has no currently accepted medical use in treatment in the United States.

(C) There is a lack of accepted safety for use of the drug or other substance under medical supervision. [46]

According to the DEA's web site, Schedule I – the most dangerous category – includes marijuana [sic]. Yet there is increasing evidence that conditions B and C above do not apply to marijuana, that marijuana is, in fact, safe and efficacious for the treatment of some diseases [61]. *None* of the schedules include alcohol, for which all three conditions above, A, B, and C clearly apply. No one has ever died from marijuana abuse, but countless people continue to die from alcohol abuse. Marijuana is lumped in with the likes of heroin, morphine, peyote, mescaline, and LSD. Oddly enough, methamphetamine is only a Schedule II drug, and PCP is only a Schedule III drug!

The state of Pennsylvania has banned the labeling of milk in the interest of increasing consumer awareness! You can't make this stuff up:

*That state [Pennsylvania] has banned the use of voluntary labeling on milk and dairy products which advertise the fact that the milk inside comes from cows **not treated** with rBGH or rBST. Milk may now not be labeled, for sale in Pennsylvania, with anything indicating whether or not these*

chemicals were used on the cows that provided the milk. ... The stated reason for these regulations is perplexing – the legislature and the governor tell us that these regulations were passed because of the need for consumers to be well informed about the contents and conditions of their milk! [65]

Only government could say something as illogical and preposterous as the above with a straight face. Obviously this legislation is a reward for some well placed palm lubrication by some corporation seeking to profit from keeping the public in the dark, so it's just business as usual in America. But on a deeper level, what kind of a society would deliberately undermine its own health by discouraging the consumption of more healthful organic foods? Only a society that can be compared to a self-destructive, mentally ill individual would do such a thing. This is but one tiny example of the self-destructive mental disease overtaking our civilization.

There seems to be a resurgence these days of interest in mysticism and religion. Carl Sagan noted this trend fully a decade ago in his book titled, *The Demon-Haunted World*, but the trend has not abated. I believe that this retreat from enlightenment is due to two principal factors. *One*, our educational system, at least in the U.S., simply doesn't educate anymore. Tests consistently show U.S. schoolchildren ranking 20th or worse compared to their foreign peers in science, mathematics, geography, and history. Perhaps this fact explains why the U.S. is the most religious of all of the most developed nations. Without critical thinking skills, without scientific knowledge, people lack the intellectual tools to explain the world around them, so it's natural for them to turn to disciplines that offer explanations, even mystical or religious ones. It seems that most people aren't comfortable with uncertainty or ambiguity, so leaving their observations unexplained is too uncomfortable for most people to bear. *Any* explanation for their observations is better than none. *Two*, civilization today seems to have abandoned all absolutes in the realms of morality, honesty, integrity, and justice. Everything today is relative, which leaves insecure people feeling adrift, uncertain how to behave. Thus, they crave the comfort of absolute religious precepts, some, such as the original Ten Commandments, being carved in stone. You can't get much more absolute than that.

Economic Insanity

One of the most insane aspects of our global financial system is runaway debt growth, encouraged by the fraudulent notion that debt is the same as money and wealth. In the U.S. the national debt ceiling was just raised a few months ago, in what has become an almost annual ritual. From the United States Treasury web site:

The current Debt Limit was increased from \$8.965 trillion to \$9.815 trillion effective September 29, 2007. [22]

The U.S. spent \$430 billion on interest on the national debt in 2007. [141] It's the third largest budget item, after entitlements and military spending. [58] For quite some time, the U.S. has been borrowing money, in part, to pay the interest on money it has already borrowed! If an individual were in such fiscal straits, they would likely be considered insolvent. Yet countries around the world continue to lend money to the U.S. Which is the greater fool, the U.S. for its irresponsible fiscal management, or the countries that continue to finance the U.S.?

Despite the dire fiscal problems in the U.S., the nation's stock markets seem undaunted. Companies are lowering profit expectations, writing down assets, laying off employees, scaling back expansion plans, and yet the markets rise.

U.S. stocks staged the biggest two-day rally in five years, led by financial shares, after Federal Reserve Vice Chairman Donald Kohn buttressed expectations for another interest rate cut. [37]

Led by financial shares? When banks are taking it on the chin during this credit bubble implosion? What kind of insanity is this?

*The credit markets are clearly and unambiguously saying that the game is over. ... almost all bonds are taking it on the chin as the perceived risk of default has exploded at all levels ... the CEO of Wells Fargo went as far as to say that the US housing market is in the worst shape it's been since the Great Depression of the 1930's. ... Yet stock markets have yet to clue in... **it's surreal.** ... the markets continue to believe that this stock [General Motors] is worth \$27 per share ... Yet after the latest write-down in the third quarter, **the book value of GM now stands at an eye-popping minus \$74 per share.***

So what's keeping stock markets up? Although the credit markets are saying that leverage is now anathema, everybody is still stuck knee deep in

*it. In a world where the value of debt is being put into question, what does that say about the value of equities, which are at the very bottom of the financial pecking order? The stock markets need a surreality check. **Connect the dots and the evidence is overwhelming that the equity of many companies is at risk of being wiped out.** They are dead men walking. Like all dead men walking, their only hope is to wait for a government reprieve... a stay of execution... or in this case, a Fed bailout. [30]*

A few days after the above was written in November, bank stocks rose again, even though “*the liquidity and credit crunch is now worse than at its August peak.*” [52]

*U.S. stocks rose, heading for their biggest weekly gain since March, on speculation lower borrowing costs and a government plan to **freeze interest rates on subprime mortgages will stem credit-market losses.** [51]*

Here’s a common sense question: How is freezing interest rates at low teaser rates going to shore up the profits of the lenders? Stock pushers appear to be so desperate to maintain high stock prices that they find a way to use *any* news, no matter how bad, as a justification for higher stock prices. Interest rates up? Good for stocks. Interest rates down? Good for stocks. Unemployment up? Good for stocks. Unemployment down? Good for stocks. Housing prices down? Good for stocks. Housing prices up? Good for stocks. Recession? Good for stocks. No recession? Good for stocks.

Unsophisticated “investors” read these rosy, self-serving prognostications spewed forth by corrupted financial “journalists” and without bothering to apply any critical thinking to the issue, simply do as they’re advised and buy stocks, and viola, the prices go up.

But then again stock prices don’t always go up – consistency just doesn’t gibe with insanity. On November 28, 2007 the Federal Reserve hinted it would cut interest rates and stocks soared. On December 11, 2007, not quite two weeks later, the Federal Reserve did indeed cut rates and the stock market plummeted! The reason? The Fed didn’t cut rates *enough!*

*The Fed's quarter-point rate cut — just announced two hours ago — is a **huge disappointment** to U.S. stock investors ... but a great bonanza for the Japanese yen!*

Reasons:

U.S. stock investors were hoping for a half-point cut — if not in the fed funds rate, then at least in the discount rate.

They got neither. So now their hopes are dashed, and they're frightened of the consequences. [90]

One of the objectives behind cutting interest rates was to boost the stock market, yet it plummeted! It's as if the investment community is vacillating between fear and greed with increasing volatility. They don't know which way to move, so any meaningless tidbit of news sends investors frantically scurrying one way, until another equally meaningless tidbit of news sends them scurrying the other.

As Gary North puts it, people investing in stocks are grasping at straws. Then, referring to the purchase by Abu Dhabi of 4.9% of Citigroup, he writes:

The great fire sale has begun. Senior American managers have begun to sell the nation's seed corn to the Arabs. [54]

Bank of America reported that one of its money market funds declined in value by \$28 billion – 70% of its value – in just two months! The result? According to CNN Money: “*Bank of America Corp (Charts, Fortune 500). shares were up \$1.28, or 2.82 percent, to \$46.65 in afternoon trading.*”

*As Wall Street rallied this week, it seemed that investors were taking comfort in the notion that **the economy had become so imperiled** by the crumbling housing market that it was forcing the government to finally mount an aggressive rescue effort. [56]*

You can't make this stuff up! The economy is *so imperiled* that a government rescue is necessary? And that's supposed to be good news? And since when have government rescues ever done anything other than produce greater indebtedness for the nation? Look at the savings and loan “rescue” of the 1980s. All it did was help balloon the national debt, which rose more under President Reagan than under any previous president. According to the Bush administration's own estimates, by the time President Bush leaves office he will be able to lay claim to the most national debt created during any president's term. It is estimated that the increase in the national debt during President Bush's term will equal the increase in the debt under Reagan, his own father, and Clinton combined! [57] And people still think having the government “rescue” the housing and stock markets by accumulating more debt is a good idea?

The probable losses from the financial crises (plural) we're facing today will make the \$200 billion or so spent on the savings and loan bailout of the 1980s look like chump change by comparison. The total size of the global derivatives market, which is partly what's troubling the global financial system today, is estimated to be over \$500 trillion, half a *quadrillion* dollars, or over ten times the size of the entire global economy! [105] The potential for financial losses is absolutely staggering, especially if those derivatives turn out to be worth only 10-30% of their nominal value, as Wall Street investment bank, Bear Stearns, discovered back in June, 2007. In many cases, the value of derivatives is determined by

complex computer models which are themselves based on flawed assumptions, such as that house prices will rise forever. Who, in their right mind, would invest in such risky, impossible to value assets? Oh, just banks, pension funds, and governments. People falsely assume their retirement funds and government tax revenues are safely and wisely invested. They might want to consider what it will be like to retire on one-third of the funds they are anticipating.

Even if these financial derivatives miraculously avoid imploding, just the troubled U.S. mortgages on the books of the nation's banks probably amount to a couple of trillion dollars, ten times the size of the savings and loan bailout. So if Wall Street thinks that having the government bail this mess out is a good thing, it's nuts. It might be a good thing in the short term for the banks that get bailed out, but it's certainly not a good thing for the rest of us or the long term economy. Bailing out the nation's troubled banks will surely increase the annual interest bill on the national debt that *we* pay directly through taxes and indirectly through inflation. From the perspective of simple fairness, wouldn't it be better to force those culpable for this runaway debt growth to bear the consequences? Why should you or I, who have lived within our means, managed our finances responsibly, and paid our debts as agreed be forced to pay higher taxes so that some fat cat banks, which sold questionable loan and derivative "products" hand over fist, can get bailed out by the government? Unfair as such bailouts would be, I don't for a minute assume that we won't suffer bailout after bailout. The government is firmly in the thrall of corporate and banking interests, and it will do whatever they demand, and right now the banks are demanding a government bailout.

I hardly need to mention the insanity of the housing bubble, but I will because I can think of no better example of civilizational insanity than masses of people suspending common sense and "buying" houses they cannot actually afford. The housing bubble was not a uniquely American phenomenon. In the last few years, housing bubbles also developed in England, Ireland, Australia, Spain, France, and Canada, and probably a few more places. Although the housing bubble in the U.S. is now clearly imploding, not all the bubbles around the world have yet begun to do so.

According to the National Association of Realtors, the median U.S. home price in October, 2007 was \$207,800. [107] According to the U.S. Census Bureau, the median U.S. household income in 2006 was \$48,200. [108] Using traditional, time-tested affordability rules, a house should cost no more than 2-3 times the buyer's annual income. [152] Being generous and allowing a house price of three times income, the median house in the U.S. should cost no more than about \$150,000, yet the median house price in the U.S. is about one-third higher than that. In other words, the median U.S. house price is unaffordable. I don't have precise data for California available to reference, but the houses there are considerably less affordable than in the U.S. as a whole. In California the median household income is around \$60,000, whereas the median house price is over \$500,000, or about *three times* what people can afford! In other words, house prices in California need to drop by two-thirds or incomes need to triple in order for houses to become affordable. Frankly, it's difficult to imagine home prices dropping by two-thirds, although it may well happen. But it's downright impossible to envision incomes tripling, what with unrelenting downward pressure on wages due to the globalization of labor. So I really don't know what's going to happen in that California. Nevertheless, now that all those exotic, "own-to-rent" financing schemes are ceasing to be available, house prices are gradually reverting to what people can actually afford. As of December, 2007 median house prices in San Diego, California were down 13%

from a year earlier and down 17% from their peak:

Figures released yesterday by DataQuick Information Systems show last month's median price at \$430,000 – 17 percent below the November 2005 peak of \$517,500. [160]

Just five years of 13% declines would accomplish the two-thirds price reduction that is necessary for houses to become affordable in California, so it's not outside the realm of possibility.

There is, however, a new variable in the house price equation that didn't exist until recently: foreign buyers. The globe is awash in trillions of U.S. dollars that the U.S. manufactured to satisfy its hungry appetite for imported goods. If the U.S. dollar continues to decline sharply in value, as it's been doing for years, those foreign holders of dollars may seek to spend them before they lose any more value. What better place to spend U.S. dollars than in their country of origin, on residential, commercial, and even agricultural real estate, on infrastructure, and on what remains of our industrial base. In my travels across the U.S. I'm no longer surprised to step into the lobby of a motel in a lily-white, small town in middle America and smell Asian Indian food cooking and see an Indian proprietor standing behind the front desk. So many motels across America seem to be owned by Indians today that some competing motels have put up signs reading "American owned" to capitalize on the contemporary novelty of that fact. Should U.S. houses become attractive to foreign buyers, house prices might remain elevated and simply remain unaffordable to Americans. Who knows, after selling off its homes, businesses, and infrastructure, America might become the first country in history to become largely owned by foreigners. I haven't even begun to imagine the implications for American society of that scenario. Would "American society" even be a meaningful phrase anymore if such were to happen?

Desperately seeking to prevent a normal and much needed correction in house prices, the U.S. Government has proposed freezing mortgage interest rates at low "teaser" rates for some buyers. This proposal is tantamount to *rewarding* the people who exercised the *poorest* judgment in buying a house. Several astonishing conditions for relief under this proposal stand out:

- * *Loan to value must be less than 97%.*
 - * *FICO Score must be less than 660.*
 - * *FICO score cannot be more than 10% higher than origination.*
 - * *Servicer must determine that owner **cannot afford higher payments.***
- [84]

So basically, anyone who has as little as a 3% stake in their house, who has mediocre or poor credit that has *not* improved, and who cannot afford higher payments gets a break! Gee, I always thought that if one could not afford something, they didn't buy it! Oh, and just to sweeten things, everyone who walks away from their home will now enjoy a tax break as well if President Bush gets his way:

*Bush: Second, Congress needs to temporarily reform the tax code to help homeowners refinance during this time of housing market stress. Under current law, if the value of your house declines and your bank forgives a portion of your mortgage, **the tax code treats the amount forgiven as taxable income**. When you're worried about making your payments, higher taxes are the last thing you need. The House agrees, and recently passed this relief with bipartisan support. Yet the Senate has not responded. This simple reform could help many American homeowners in an hour of need -- and the Senate should pass it as soon as possible. [84]*

Perhaps I'm slow, but I have a question about this proposal: Won't giving people a tax break for walking away from their homes, uh, encourage that sort of behavior? Won't that result in a whole lot more foreclosures and a whole lot more houses being dumped on the already saturated housing market by the lenders who repossess these houses? Is there any common sense among our "leaders" in government? Or is this nothing more than a desperate ploy by our "leaders" to make it appear as if they're demonstrating "leadership"?

Oh, and by the way, those of us who managed our finances responsibly, who lived within our means, who didn't buy more house than we could afford – we'll get to pick up the tab for those who didn't behave responsibly. Had I known that the government would be bending over backwards today to help the most irresponsible lenders and borrowers, I'd have bought the most outrageous home I couldn't afford just so that the government could reward *me*. Just what kind of madness are we living under? Given that the government clearly doesn't care about the people or their votes, I have to assume that this initiative, ostensibly to bail out homeowners, is really about bailing out the lenders, primarily the investment banks on Wall Street that hold so many trashy mortgage backed securities.

*But unfortunately, **the 'freeze' is just another fraud** - and like the other bailout proposals, it has nothing to do with U.S. house prices, with 'working families,' keeping people in their homes or any of that nonsense.*

The sole goal of the freeze is to prevent owners of mortgage-backed securities, many of them foreigners, from suing U.S. banks and forcing them to buy back worthless mortgage securities at face value - right now almost 10 times their market worth. [87]

Think I'm too hard on the poor homeowners? Here's Mark Hanson, "a 20-year veteran of the mortgage industry":

Most sub-prime loans in existence are refinances not purchase-money loans. This means that more than likely they pulled cash out of their home,

*bought things and are now going under. Perhaps the loan they hold now is their third or fourth in the past couple years. **Why are bad borrowers, who cannot stop going to the home-ATM getting bailed out?***

...

*Every time you were going broke and did not have money to pay bills, you pulled cash out of your home by refinancing your first mortgage or upping your second. **You pay all your bills, buy some new clothes, take a vacation and your [credit] score goes up!** [85]*

I used to have a friend who, with considerable help from her so-called friend, ran up huge credit card balances, measuring in the tens of thousands of dollars. She refinanced her house, paid off her credit cards, and within a couple of years her credit card balances were in the tens of thousands of dollars again! At that point she filed for bankruptcy. This occurred roughly between 2001 and 2004, in the midst of the inflationary phase of the housing bubble, which made refinancing a house easy, and prior to the 2005 bankruptcy law that made bankruptcy more difficult.

Without question, the Bush administration's mortgage rescue plan will exacerbate, not alleviate, the problems in the housing market. As the plan will sharply reduce the ability of new buyers to make purchases, it really amounts to a stay of execution and not a pardon.

...

*Finally, it's the camel's nose under the tent that is the most troubling. **Delinquencies on auto loans are now at record highs, and with no home equity left to extract and a weakening economy, this problem can only get worse. What is next, a moratorium on car payments?** [86]*

The striking thing about all the housing bailout proposals floated recently is that *everybody* who's impartial, that is, lacking a vested interest in being bailed out, thinks such bailouts will exacerbate the problems! Isn't that just typical of today's insane world? We seem incapable of solving problems anymore. We seem only capable of repeating the same behaviors that created the problems in the first place. Much the same can be said of the "war on terror," which seems to have accomplished nothing except to create more people interested in committing terrorist acts.

If we do bail out homeowners, and then auto loans, will we subsequently bail out credit cards? After all, some homeowners are now using credit cards to sustain their lifestyle, just like they were doing with home equity loans until the bottom fell out of the housing market:

The Federal Reserve Board reported yesterday that credit card debt rose at an 11.3 percent annual rate in November after rising at an 8.5 percent rate in October. By comparison, credit card debt rose at a rate between 2 percent and 4 percent from 2003 to 2005.

The explanation for this surge in credit card debt is that millions of homeowners are losing the ability to borrow against their home. [142]

What kind of crazy world do we live in today that we feel entitled to a risk free existence? That we can live beyond our means and expect to be bailed out? I'll say one thing, such a world can be sustained for only a very brief time before it collapses, for it defies the laws of physics that for every action there is an equal and opposite reaction. Which is to say that everything we do in life has consequences. We may deflect those consequences away from us, but they will still have an impact on someone, from whom new reactions will emanate. Imagine a billiard table with balls scattered across it. You aim the cue ball (let's label it "consequence") at the two-ball (let's label it "profligate consumer"), shoot, and miss. But the cue ball doesn't evaporate without impact. It bounces around the table, strikes another ball, which strikes another, and so on, until the two-ball (profligate consumer) is eventually struck, just not in the manner expected or desired. The profligate consumer may have his house "saved" by a government bailout, but then lose his job because the mortgage company he works for goes out of business because the government's bailout destroys his company's profits.

Despite all the sound arguments against *any* sort of housing bailout, it's a near certainty that the government will "do something" in order to appear to be doing something. According to this unusually unflinching assessment of the financial soundness of Fannie Mae and Freddie Mac, published in the Baltimore Sun,

They don't know it, but taxpayers stand to lose billions as the housing bubble bursts. And in a bipartisan effort to "do something" to save the housing market, President Bush and the Democratic Congress appear set to put taxpayers on the hook for billions more.

*Until now, losses in the housing world have been confined to homeowners, mortgage lenders, banks and investors in toxic mortgage securities. But by virtue of the **implicit federal guarantee backing mortgage giants Fannie Mae and Freddie Mac**, U.S. taxpayers may be one of the largest mortgage lenders in the world - set to lose billions, like all the others.*

*Between them, Fannie Mae and Freddie Mac back more than **\$4 trillion** in mortgages. **If they fail, it could force an unprecedented taxpayer-funded bailout. And they are much closer to failure than most people realize.***

Some saw this coming, including presidential candidate Ron Paul. As far back as 2002, Mr. Paul - whose candidacy I'm not actively supporting - predicted the Federal Reserve would blow up the housing bubble. [117]

Here is one of the most remarkable quotations about our nation's economic policies that I have ever read:

*My deceased friend, Teddy Butler-Henderson, met Alan Greenspan in the 1960's. They apparently discussed the Kondratieff Cycle. According to Teddy, Alan Greenspan confided that he hoped he could be Federal Reserve Chairman at the onset of a Kondratieff winter, because he felt he could defeat winter by substantially increasing the money supply and reducing interest rates to near zero. **He had his wish and effected those actions following the 2000 stock market peak.***

*This effectively put winter on hold but massively compounded already excessive credit to the extent that people who should never have had access to loans were willingly given them. Now the credit bubble that Alan Greenspan initiated is beginning to unwind. The process will be horrific and cannot be reversed. **Incidentally, Mr. Greenspan told Teddy during that same conversation that if he failed to thwart the Kondratieff winter, it would make what followed 1929 look like a 'Sunday school picnic.'** This is what we have to expect. [67]*

What's remarkable about these two brief paragraphs is the wealth of insight they harbor: that Greenspan was dreaming about becoming chairman of the Federal Reserve two decades before his eventual appointment; that the stock market collapse beginning in 2000 probably portended a larger financial crisis that was forestalled by the availability of easy credit, but which will now be much worse after being allowed to fester; and that the "Greater Depression" [68] that awaits us will be much more severe than the Great Depression of the 1930s.

*The K-Cycle [Kondratieff Cycle] provides a roadmap for the most likely long term outcome of economic events. As we move into the latter stages of the current K-Cycle, the K-Winter, government's central bankers are doing all they can to delay the painful 'pay-back' period which is the feature of all previous cycles. **There is no way of avoiding the final collapse of a credit boom.** The only question is whether it comes sooner as a result of an engineered controlled recession (to reduce the excesses and re-align the imbalances) or later as a total catastrophe. **I am afraid that***

we do NOT have the political will to do the right thing even if the powers that be know what they are. [126]

The financial debacle we find ourselves facing today could have been avoided. Plenty of people saw this train wreck approaching years ago, yet instead of letting conditions correct themselves – albeit painfully – the very causes of this financial degeneration were amplified! Our industrial base was eviscerated more quickly; credit was made cheaper and looser and pushed on more and more people; money supplies were expanded faster and faster; speculation in everything was encouraged and accelerated. And these are global phenomena, so there will be no escaping the consequences of these reckless trends for many people around the world.

In our fervent and misguided quest to reshape the U.S. economy into a service- and finance-based economy, we have systematically destroyed our premiere wealth creating apparatus: industry. Since 1960, almost two-thirds of the manufacturing jobs in the U.S. have vanished, as summarized in the table below. [23]

Year	Total Non-Farm Jobs (Average)	Manufacturing Jobs (Average)	Manufacturing Jobs (Percent of Total)
1960	54,296,000	15,438,000	28
1979	89,932,000	19,426,000 (peak)	22
2007	139,493,000 (November 2007, preliminary)	13,961,000 (November 2007, preliminary)	10

What do these numbers mean in real world terms? In the modest suburban neighborhood where I grew up in the 1960s, the typical family was headed by a father whose sole income supported the family, and a mother who stayed home and took care of the kids and the house. Many of the fathers in my neighborhood were engineers, although factory workers then earned about as much. Most families had two cars. Families took regular vacations, which they could easily afford. My best friend's family traveled all over the U.S. during the course of their family vacations, something that today is often only a post-retirement dream. Families ate home-cooked meals together. Today most families struggle to get by on the income from two or more wage earners. The kids are left to fend for themselves, with dismal consequences to their education and socialization. Families don't dine together as much, and tend to eat fast food out or microwaveable or snack food at home. Ironically, agricultural subsidies have so distorted food prices that junk food is often less expensive than wholesome food.

What has happened since the 1960s is that, besides the brazen transfer of the nation's wealth from the workers to the elites in power, global labor arbitrage has decimated America's high paying jobs, by tacitly encouraging illegal immigration, by exporting manufacturing jobs to places such as Japan, China, and Mexico, and by giving H1-B work visas to imported high technology workers who are willing to accept substantially lower salaries than Americans. The U.S. has essentially been mired in

class warfare for decades. The only trouble is that one side, the disempowered masses, don't even realize they're in a war. The elite side in this class warfare are aided and abetted by corporations, government, and service companies that specialize in destroying American wages.

Last June a revealing marketing video from the law firm, Cohen & Grigsby appeared on the Internet. The video demonstrated the law firm's techniques for getting around US law governing work visas in order to enable corporate clients to replace their American employees with foreigners who work for less. The law firm's marketing manager, Lawrence Lebowitz, is upfront with interested clients: 'our goal is clearly not to find a qualified and interested US worker.'

As I predict, and as BLS payroll jobs data indicate, in 20 years the US will have a third world work force engaged in domestic nontradable services. [69]

Where are our "representatives" in government who are supposed to promote the general welfare of the nation? Our society is essentially cannibalizing itself and nobody is making any effort to stop it. How is reducing the American work force to third world status going to sustain the government's lavish spending? From the standpoint of simple self-interest, the government ought to be seeking to raise the incomes of Americans, not abet lowering them. Deliberately sabotaging one's revenue source is economic suicide.

U.S. agriculture has not fared any better than U.S. manufacturing. According to an old (1995) paper published by the Bureau of Labor Statistics:

*Farm employment, a subset of agricultural employment, includes persons employed directly in the production of food and fiber products-farm operators, managers, and laborers. **Workers in these occupations-who now number about 2 million-accounted for only 1.7 percent of the Nation's employment in 1993, down from 6.4 percent three decades earlier.** The mass exodus of millions of farmers and farmworkers into other sectors of the economy already had taken place by the 1970's, even as farm output continued to surge. Further technological advances over the past two decades have largely been reflected in increased output, although employment has continued to slip.*

Not only has farm employment fallen, but many changes have taken place in the characteristics of farmers and farmworkers and in the nature of farming itself. The last three decades have witnessed dramatic shifts: from the pronounced use of black workers to employment of Hispanic workers;

from smaller to larger farms; from that South to the West; from lower to higher levels of educational attainment; and , to a lesser extent, from male to female ownership. In addition, unpaid work by family members, which for so long had characterized the "typical" family farm, declined substantially. [109]

Although the above paper is rather old, I have no doubt that the trends identified in 1995 have persisted until today and have probably accelerated. There are a couple of other pernicious consequences of our short-sighted management of agriculture in the U.S.

First, massive U.S. agricultural subsidies, combined with NAFTA (North American Free Trade Agreement), have already driven many Mexican farmers out of business, which has fueled the influx of illegal immigrants from Mexico into the U.S. As the final phase of NAFTA kicks in, this trend is liable to intensify.

MEXICO CITY -- Farmers in this country organized scattered protests Tuesday and Wednesday as the final trade barriers on U.S. corn, beans, sugar and milk fell with the full implementation of the North American Free Trade Agreement on New Year's Day.

*Corn and beans are staples of the Mexican diet and subsistence crops for millions of farmers. **Opponents of NAFTA said the free entry of relatively cheap U.S. corn would devastate rural Mexico and help spur more immigration.***

...

*NAFTA critics say **Mexican farmers cannot compete with their American counterparts because the government subsidies they receive are paltry compared with those given to U.S. farmers.** [118]*

Second, consolidating numerous small farms into fewer large farms is unwise. In the age of peak oil, genetically engineered, monoclonal agriculture, and climate change, concentrating production in a few massive farms is much less resilient than disbursing production throughout the land. Our globalized system of food production might be functioning like a precision watch today, which makes people complacent to the risks inherent in such a complex system, but what will happen if a small component in that “watch” breaks? What if soaring oil prices makes distributing food great distances impractical? What if an unanticipated disease wipes out an entire genetically engineered crop at one critical farm? What if the water supply for a massive farm becomes unreliable?

Lest readers naively assume that these changes in agriculture are unintended consequences of “market

forces,” consider this excerpt from a review by Stephen Lendman of F. William Engdahl’s book, *Seeds of Destruction*:

The global food market was being reorganized, corporate interests were favored, political advantage was exploited, and the 1990s "gene revolution" groundwork was laid. Rockefeller interests and its Foundation were to play the decisive role as events unfolded over the next two decades. It began under Nixon as the cornerstone of his farm policy, free trade was the mantra, corporate grain traders were the beneficiaries, and family farms had to go so agribusiness giants could take over.

*Bankrupting them was the plan to remove an "excess (of) human resources." Engdahl called it a "thinly veiled form of food imperialism" as part of a scheme for the US to become "the world granary." **The family farm was to become the "factory farm," and agriculture was to be "agribusiness" to be dominated by a few corporate giants with incestuous ties to Washington.** [111]*

Aside from the imprudence of consolidating agriculture in the hands of a few powerful corporations, the above excerpt exposes the criminal mentality of those in power, who are more than willing to destroy the livelihoods of Americans and others who stand in the way of ever bigger profits for themselves. Part of the plan to corporatize agriculture involves the patenting of the very genetic building blocks of food producing plants, fully abetted by the government. The day may come when it will be illegal – a patent violation – for an individual to grow vegetables in their own backyard. We will then be forced to buy patented foods from corporate giants, at whatever price they choose to sell them to us.

If employment in manufacturing and agriculture has been declining for decades, where have the people that used to work in those sectors been going? Into service jobs: financial services, retail, restaurants, hospitality, real estate sales, legal services, health care, and government. Agriculture and manufacturing are the two pillars of genuine wealth creation in any economy. Both transform *free* raw materials given to us by the earth and the sun – minerals, water, solar energy – into useful finished goods of greater value. The difference between the value of the raw materials and the finished goods is real wealth. It is from this real, fundamental wealth that all other goods and services are paid for, including all those listed above. Without this real wealth creation, we really cannot afford all those other services, which is why for the past few decades we’ve had to increasingly rely on debt to pay for those services. Financing an economy without creating real wealth can persist for a while, but eventually previously accumulated savings will be exhausted and newly accumulating debt will become unbearable. In the U.S. today we’re witnessing both of these consequences of our foolish aversion to real wealth creation.

A crucial difference between an economy financed by real wealth creation and one financed by debt is

that in the latter the assets purchased with debt *must* keep rising in price. The reason is simple: *interest*. Ignoring for the moment the secondary need for profits, assets purchased with debt, such as stocks or real estate, must rise in price if only to enable the purchaser to pay back the principal plus the interest. If asset prices cease rising, then the whole debt-based economy starts to break down. I submit that the mushrooming financial crises we're seeing today are symptomatic of this unsustainable debt-based economic model. The systemic financial problems we're seeing are not the result of the "sub-prime" mortgage crisis; on the contrary, the sub-prime crisis is merely one symptom or consequence of a fundamentally flawed economic model. Sub-prime mortgages proliferated because of the need for house prices to keep rising, which could only be sustained if more and more buyers could be manufactured. So the lending standards were steadily reduced and the "repayment" terms were made ever more forgiving, all in an effort to enable more buyers to qualify for loans and thereby maintain upward pressure on house prices.

What's astonishing about the housing bubble is that nobody in a position of "leadership" could foresee the inevitability of its collapse. Or perhaps they did see it and simply didn't care or were too incompetent or corrupted to do anything about it. Maybe it's like a person with a drug abuse problem who can see the harm that their drug abuse is causing, yet is powerless to cease their self-destructive behavior.

Although the world is facing a global food shortage, the past couple of years have witnessed the insanity of turning our food into fuel. [6] It's bad enough that in the face of a food shortage we're squandering precious food in the vain quest to hold onto our automobile-based culture. But when producing ethanol from corn consumes more energy than we get out of it, it's insanity. On top of all that, the redirection of grain to ethanol production has, unsurprisingly, helped cause grain prices to skyrocket. Instead of trying to supplant our diminishing oil supply with ethanol, wouldn't the most sensible reaction to oil depletion be simple conservation?

After the energy wake up call in the 1970s, instead of wisely adopting conservation measures and developing alternative energy sources, we went on a fossil energy consumption binge, culminating in the building of sprawling suburbs and the proliferation of hulking SUVs, both helping to *accelerate* our demise. In other words, we did the exact opposite of what we should have done, and with reckless abandon. We have managed our energy resources like an alcoholic going on a drinking binge. The irony is that we might be able to drastically reduce fuel consumption in our cars while simultaneously increasing horsepower. [38] I guess the elites in power would rather we go down the path of higher fuel prices caused by scarcity, which is becoming more prevalent in China, and will eventually do so in the U.S. Recently in China, 1,000 trucks were idled for lack of fuel:

In Kunming, capital of the southwestern province of Yunnan, 1000 trucks are stranded. [39]

Imagine a future in the U.S. in which thousands of stranded trucks are unable to resupply grocery stores or refuel gas stations.

Thankfully, perhaps because people are so sensitive about their food supply, and now that food prices are soaring, and before ethanol has even enjoyed widespread use, people are already beginning to think that turning food into fuel is not such a great idea after all:

In the span of one growing season, ethanol has gone from panacea to pariah in the eyes of some. The critics, which include industries hurt when the price of corn rises, blame ethanol for pushing up food prices, question its environmental bona fides and dispute how much it really helps reduce the need for oil. [45]

With recession imminent, Americans camped out overnight to go Christmas shopping the day after Thanksgiving, 2007. Bloomberg reported that sales the day after Thanksgiving were up a whopping 8.3%, compared to a year earlier. [18] But just a day later the same source reported that spending was down 3.5% for the shopping weekend, compared to a year earlier! [31] Such desperate, erratic behavior by shoppers is consistent with the increasingly schizophrenic character of the entire economy today.

It's not just Americans who are spending beyond their means:

*More than nine million individuals in Britain are now believed to be struggling to pay credit card bills and mortgages, with **the average owed by problem debtors hitting £30,000.***

...

Insolvency experts say people have been readily loading large amounts of debt on to credit cards and personal loans, despite the economic slowdown.[115]

Nine million individuals struggling, in a nation of 61 million people, counting children? [116] Yikes! It appears to me that people on both sides of the Atlantic are trying to sustain their lifestyles by dumping the difference between what they earn and what they spend onto their credit cards, perhaps hoping the debt will magically evaporate. Obviously, such behavior cannot go on indefinitely, but the attitude of the blissfully ignorant seems to be "party on."

China is horribly despoiling its environment in order to keep down the cost of goods it exports to the U.S., which then pays for those goods with credit. Even though the U.S. is never going to be able to repay the debt it already owes to Japan, China, and the Middle East oil nations, those nations keep on lending the U.S. money. Is it not insane to lend someone money, knowing they have no means to ever pay it back?

The irrational drive to continue exporting goods to the U.S. is causing countries to engage in the

ludicrous practice of “competitive devaluation” of their currencies! [47] Since when is it rational to debase one’s currency and economy?

Faced with a suddenly plunging dollar, other countries and power blocs are scrambling to pump up their own money supply, in order to weaken their own currencies and maintain a competitive advantage. Thus the rate of competitive devaluation around the world has moved up one whole order of magnitude on the Richter scale, with huge inflationary implications ... [91]

Already bankrupted [48, 49] by impossible-to-honor entitlement promises and two ongoing wars, the U.S. is contemplating a new war against Iran! [50] (Quite honestly, I’m not sure which is the more insane: the U.S. crippling its economy to pay for these wars, or the Middle East oil countries effectively financing these wars being waged in their own backyard!) People in the U.S. are at greater risk from collapsing bridges than terrorism, yet we spend many times as much money fighting absurd wars on terror as we spend on maintaining our infrastructure.

With all the fiscal problems looming in the U.S. one would think the nation would welcome foreigners to visit and leave behind some of their money. Nope. The U.S. is making visiting the U.S. so onerous that money-laden tourists are staying away, at least that was the case before the decline in the value of the dollar accelerated recently. Meanwhile, poor, illegal immigrants stream across the border. Of course, our tourism and immigration policies are no more insane than putting tax paying, petty drug users behind bars, thus depriving the state of tax revenue while encumbering the state with additional incarceration costs. The government seems to be cheerfully cutting its sources of revenue while increasing its expenses, yet nobody in “authority” seems to find this imprudent.

The best investment advice from the mainstream media today is how to profit from the police state we now live in! [77] Nobody seems to consider how we’re going to pay for a system in which everyone is either locked up or guarding those who are locked up. According to this article, 22% of the American labor force is employed in the “security industry”! Bear in mind that these are parasitic jobs because they produce no wealth, but consume wealth produced elsewhere in the economy. One in six American workers works for the government, at the municipal, state, or federal level. These are also parasitic jobs. What percentage of a labor force may consist of such parasitic jobs before the system collapses under its own weight?

Official Mendacity, Hypocrisy, Irony, Corruption, Incompetence, Name Calling

There is no more succinct example of official mendacity than the recent fake press conference staged by FEMA to address the October wildfires in California. The worst thing about that fiasco is that it suggests that the culture of deception is so ingrained in government that the people responsible for that news conference probably didn't think there was anything wrong with faking it. They probably thought faking it was sensible and logical in the twisted way of government-think. [19] Evidence that such deception is perfectly acceptable within government is that some of the participants in that fiasco were subsequently *promoted!* [53] The FEMA press conference is not anomalous. The only anomaly is that it was so publicly exposed as a fraud. Deception is endemic in government today, a claim that is reinforced by this report from the U.S. Government Accountability Office:

The administration reported in its September Iraqi benchmark assessment that Iraq's central government ministries had spent 24 percent of their 2007 capital projects budget as of July 15, 2007. "This report is not consistent with Iraq's official expenditure reports," which show that the central ministries had spent only 4.4 percent of their investment budget as of August, the GAO said. It said capital projects are 90 percent of Iraq's investment budget. [158]

The Bush administration overstated Iraq's spending – as a measure of “progress” – by more than five times! The triviality of this one measure shows how deeply the mentality of deception has penetrated government.

Might it sometimes be appropriate for the government to lie in order to reassure the public? Asked this question during a Court of Appeals hearing yesterday in Benzman vs. EPA, the case brought by residents, students and office workers exposed to and in many cases sickened by the environmental hazards following 9/11, EPA lawyer Alisa Klein answered, “Yes.” [93]

Ah, yes, lies are so much more reassuring than the truth! I'm not reassured to know that the government reserves for itself the right to lie, “for our own good.” Martha Stewart was sent to prison, not for insider trading, but for the “crime” of “lying to investigators.” What hypocrisy it is that the government is willing to lie to the citizens, but then punishes citizens for lying to the government. And what else might the government be lying about, “for our own good”?

The government's most precious official statistics pertaining to the GDP, the CPI, and the unemployment rate are practically manufactured out of thin air. From John Williams' Shadow Government Statistics web site:

*Have you ever wondered why the CPI, GDP and employment numbers run counter to your personal and business experiences? **The problem lies in biased and often-manipulated government reporting.** [20]*

The CPI alone is understated as a result of geometric weighting, hedonic adjustment, and substitution.

*Over a period of several years, straight arithmetic weighting of the CPI components was shifted to a geometric weighting. The Boskin/Greenspan benefit of a geometric weighting was that it automatically **gave a lower weighting to CPI components that were rising in price, and a higher weighting to those items dropping in price.** [112]*

So geometric weighting understates rising prices while overstating falling prices.

*Aside from the changed weighting, the average person also tends to sense higher inflation than is reported by the BLS, because of hedonics, as in hedonism. Hedonics adjusts the prices of goods for the **increased pleasure the consumer derives** from them. That new washing machine you bought did not cost you 20% more than it would have cost you last year, because you got an offsetting 20% increase in the pleasure you derive from pushing its new electronic control buttons instead of turning that old noisy dial, according to the BLS. [112]*

Hedonic adjustment is my favorite CPI-reducing technique. Take computers. They are constantly getting more powerful and feature-laden. Therefore, the BLS reduces the prices of computers to reflect that additional computing power and those additional features. But what if you want to buy a less powerful, less feature-laden computer to save money? Tough luck. They no longer exist! So if consumers cannot buy obsolete computers or cars without anti-lock brakes and airbags, if they have no choice but to accept today's standard features and pay today's prices, how can the government say with a straight face that the price one is forced to pay is not the true price? Not surprisingly, although "hedonic adjustment" lowers prices because of the added "pleasure" derived from modern devices, it fails to raise prices because of the added stress ensuing from the greater complexity of modern devices. Another clever innovation in the CPI statistic is "substitution":

The Boskin/Greenspan argument was that when steak got too expensive, the consumer would substitute hamburger for the steak, and that the inflation measure should reflect the costs tied to buying hamburger versus steak, instead of steak versus steak. Of course, replacing hamburger for

*steak in the calculations would reduce the inflation rate, but it represented the rate of inflation in terms of maintaining a **declining standard of living**. Cost of living was being replaced by the cost of survival. The old system told you how much you had to increase your income in order to keep buying steak. **The new system promised you hamburger, and then dog food, perhaps, after that.** [112]*

Instead of being a meaningful, useful statistic, the CPI has morphed over the last few decades into a tool of deception, pure and simple. A lower CPI figure benefits the government by shrinking cost of living adjustments to entitlements, such as social security. People have estimated that social security payments would be 50-100% higher today had the government been adjusting them since the 1970s by the real rate of inflation rather than by the made-up CPI. Considering that entitlements represent the largest expense in the federal budget, understating the cost of living adjustments to entitlements has saved the government huge sums of money. A lower CPI helps make the inflation-adjusted GDP figure look better. It obscures the deliberate debasement of the nation's currency. And it reduces the interest rate the government pays for things such as Treasury Inflation-Protected Securities:

*The U.S. Treasury has been issuing Treasury Inflation-Protected Securities (TIPS) since 1997. TIPS provide investors with protection against inflation. The principal of a TIPS increases with inflation and decreases with deflation, as measured by the **Consumer Price Index**. (CPI-Urban, Non-Seasonally-Adjusted with a 3-month lag) [113]*

You might be thinking, "Every time I go to the grocery store at least one item I buy is 10-20% higher than the last time I bought it. And the last time I bought gasoline it was ten cents higher per gallon than the previous time." Guess what? Food and energy prices aren't included in the so-called "core" CPI figure, which is the one most commonly referenced. The rationale for excluding food and energy prices is that they are too volatile to be meaningful. But if they are volatile while continually trending higher, then a significant cost of living is being excluded from the CPI.

My subjective perception is that the true inflation rate is around 10%. Larry Edelson, of Money and Markets, agrees with me:

On at least three occasions over the last couple of years I warned you that inflation was already running at about 7%-10%.

...

Since historically inflation tends to track M3 money growth pretty closely, I expect we will soon see 15%+ inflation.

All of this, mind you, is DELIBERATE on the part of Washington and the Federal Reserve. As I have held for years now, politicians and central bankers will always opt for inflation over deflation.

Reason: Inflation (devaluing the currency, the dollar) makes it easier for the public and private sectors to pay off debts, because it pushes up asset prices. [98]

I won't be at all surprised if the next revision to the CPI calculation *includes* plummeting house prices, which it does not now. The cover justification could be that since two-thirds of households own homes, "modernizing" the CPI to include house prices makes sense. If that happens, falling house prices will conveniently help to lower the CPI.

The government's unemployment statistic is notoriously misleading. The number one deficiency, in my opinion, is that if people get discouraged by the job market and give up looking for work, they simply disappear! They are not counted as employed or unemployed; they vanish from the statistics entirely! Were these people, who want to work but can't find a decent job, counted as unemployed, the unemployment rate would probably be double today's "official" 5% figure.

The unemployment statistic doesn't indicate anything about the quality of the jobs of people who are employed. Flipping burgers is a job, just as is being a CEO, earning a multi-million dollar salary. The unemployment statistic does not take into account benefits or lack thereof, such as health insurance, retirement, paid vacations, expense accounts, etc. Nor does it differentiate between part time and full time work. Yet this single statistic carries much weight as an indicator of the nation's economic health and the government's competence in managing the economy.

The government's birth/death model *predicts* the number of jobs created each month, and not an inconsequential number of jobs either. In October, 2007, 103,000 jobs, or approximately 62%, of the 166,000 jobs the government said were created came from the birth/death model! [114] These jobs were merely *presumed* to have been created. Until very recently, even as the housing bubble was clearly deflating, the birth/death model was still showing increases in employment in construction! And despite the severe turmoil in the global financial system, which has been growing for months, the birth/death model is still showing increases in financial employment!

*The BLS [birth/death] model has added jobs 12 consecutive months now even in **financial activities** in an environment where business capex spending has been weak, housing has been horrid, and over to **210 lenders have gone out of business or stopped writing loans** according to Implode-O-Meter. In spite of horrible housing conditions, the BLS has assumed there have been more business expansions in 9 of the last 11 months in construction.*

...

*The BLS birth/death model has now added 1,305,000 jobs to the economy since February. **That model remains somewhere in outer space.** [119]*

It is counterintuitive that the beleaguered construction and finance sectors of the economy would have been *adding* jobs even as the housing bubble was deflating. According to Rob Kirby, the birth/death model not only showed gains in the financial sector in the last quarter of 2007, but the numbers of jobs purportedly created in each of the months October, November, and December of 2007 are identical to the numbers purportedly created in each of the months October, November, and December of 2006! [120] The fact that the numbers are identical two years in a row makes one wonder if they are simply being pulled out of a hat.

Income statistics are also unreliable:

The American economy appears to have created far fewer jobs this spring than has been reported so far, a new government report indicated yesterday.

...

The new report concluded that personal income from wages and salaries grew at an annual rate of 1.6 percent in the second quarter, far below the 4.5 percent that had previously been estimated.

...

If so, he said, he expected the government would revise its estimate of the number of jobs created in the quarter, to as little as 50,000 a month from 126,000 a month.

...

*The Commerce Department had estimated that the overall economy grew at a 3.8 percent rate in the spring quarter, surging to a 4.9 percent pace this summer. **But those figures are still subject to revision.** [55]*

Ah, the old get out of jail free card. It's so typical for the government to issue rosy statistics about the GDP, the CPI, or employment, only to revise them – usually for the worse – a few months later when nobody is paying attention. It won't surprise me if the absurd 4.9% U.S. GDP growth figure reported for Q3 2007 is quietly revised downward in a few months. Of course, since the inflation rate is grossly

understated, the real GDP figures are a fantasy anyway. In any case, what value are statistics that turn out to be in error, by the government's own admission, by as much as 2-3 times? Does anybody still take these statistics seriously?

Even the "official" budget deficit defies common sense. The "official" U.S. budget deficit for fiscal year 2007 is \$163 billion. But according to the Bush administration's own estimates, by the time President Bush leaves office the nation will be \$4.667 trillion deeper in debt. [57] Dividing that figure by President Bush's eight years in office yields an annual deficit of \$583 billion per year. In March, 2006 the national debt ceiling was raised to about \$9 trillion. A year and a half later, in September, 2007, the ceiling was raised again to nearly \$10 trillion. That works out to about \$667 billion per year, which is in the neighborhood of my first calculation. So why doesn't the "official" deficit even come close to my two back-of-the-envelope calculations?

People often talk about our failed educational system, yet it never seems to get fixed. In fact, it seems to only get worse. Here's some insight into why the system is broken from a Ms. Linda Schrock Taylor who, in disgust, quit public teaching, a profession she loved:

*Unskilled, power-hungry, and downright stupid administrators, especially, cannot forgive any teachers or parents who notice the foolish actions and the counterproductive decisions made by such leaders as they work to drag our once-owned-and-run-by-the-people public schools so far from the path of true education, **destroying a culture, and a country**, in the process.*

...

*If my successful instructional methods, using inexpensive Materials-That-Work, offend and embarrass those in power who have spent obscene amounts of money to buy untested and ineffective **Curriculum-by-Kickback**, that was just tough luck and egg on their collective faces, as far as I am concerned.*

...

*Count me out of the corrupt system. I simply lack the **moral-relativity, the values-flexibility, and the ethics-buyability**, necessary to participate in and support the ploys, tricks, and treachery that have taken the place of backbones in the leadership of government education. [106]*

Despite the intractable failure of public education in America, the educational system has grown ever more powerful, tyrannical, and intolerant. In many ways, the educational system is inuring children to live under totalitarianism. There have been many examples of schools demonstrating "zero tolerance" of students' behavior. Students, even as young as five years old, have been ejected from school for the slightest infraction, from drawing a picture of a gun in art class, to innocently kissing another child.

Schools have become enforcers of political correctness and the fascist agenda promulgated by our government and corporate interests. *Education* seems to be far down the list of priorities for schools in America today, as does setting a positive example by pursuing excellence and demonstrating honesty and integrity. As Ms. Taylor reveals, her cardinal sin while working for the public school system was actually trying to accomplish what she thought schools were supposed to accomplish: to educate the children.

Diplomatic and political dialog has devolved into irony, hypocrisy and name calling, with increasingly frequent comparisons made to Hitler. President Bush has equated the U.S. Congress to appeasers of Hitler [3], and compared others directly to Hitler:

Bin Laden and his terrorist allies have made their intentions as clear as Lenin and Hitler before them. And the question is, will we listen? [24]

Ironically, President Bush's own ascension to power seems to mirror that of Hitler:

My family was one of Hitler's victims. We lost a lot under the Nazi occupation, including an uncle who died in the camps and a cousin killed by a booby trap.

...

***So far, I've seen nothing to eliminate the possibility that Bush is on the same course as Hitler.** And I've seen far too many analogies to dismiss the possibility. The propaganda. The lies. The rhetoric. The nationalism. The flag waving. The pretext of 'preventive war'. The flaunting of international law and international standards of justice. The disappearances of 'undesirable' aliens. The threats against protesters. The invasion of a non-threatening sovereign nation. The occupation of a hostile country. The promises of prosperity and security. The spying on ordinary citizens. The incitement to spy on one's neighbors - and report them to the government. The arrogant triumphant pride in military conquest. The honoring of soldiers. The tributes to 'fallen warriors. The diversion of money to the military. The demonization of government appointed 'enemies'. The establishment of 'Homeland Security'. The dehumanization of 'foreigners'. The total lack of interest in the victims of government policy. The incarceration of the poor and mentally ill. The growing prosperity from military ventures. The illusion of 'goodness' and primacy. The new einsatzgruppen forces. Assassination teams. Closed extralegal internment camps. The militarization of domestic police. Media blackout of non-*

approved issues. Blacklisting of protesters - including the no-fly lists and photographing dissenters at rallies. [26]

Numerous people have compared President Bush to Hitler, including a high official within the German government:

On Friday, Schröder wrote to U.S. President George W. Bush to apologize for the "supposed remarks" made by his justice minister, Herta Däubler-Gmelin, who is said to have compared Bush's political dealings over the issue of Iraq with those of Hitler. [25]

*The irony of it all is that despite the smear talk of Hitlers in the Middle East, **the leader whose thinking process most resembles Hitler's is our own president.** Like Hitler, Bush's ideological beliefs have blinded him to reality, and like Hitler, he seems impervious to advice that conflicts with his beliefs. [96]*

The biggest irony of all is the U.S.'s so-called "war on terror," ironic because it's really been a "war of terror." Not far behind the "war on terror" on the irony scale is President Bush's recent visit to Israel, during which he paid homage to the victims of the holocaust, while just a short distance away Israel is in the midst of inflicting its own slow motion holocaust and genocide against the Palestinians in Gaza. Israel has essentially imprisoned Palestinians in what amounts to a huge prison camp, while slowly cutting off delivery of fuel, electricity, food, and water into the "prison," creating what some have called one of the world's biggest humanitarian crises. Not content to merely starve the Palestinians in Gaza to death, Israel bombs them from the air, bulldozes their houses, and takes every opportunity to shoot them.

For almost two years, the Israeli military forces have completely surrounded Gaza. Israel has built tall, ugly walls around the borders of Gaza, including the border between Gaza and Egypt. The Israeli military forces patrol and attack the civilians of Gaza from the air with US helicopters, F-16s, and with drones. Israeli/ US tanks and bulldozers attack from the ground, storming through Gaza villages and refugee camps, destroying homes and killing more Palestinian victims. Israeli gunboats sit poised in the once peaceful waters off Gaza's shore, intent upon shelling unarmed fishing boats and massacring families daring to

enjoy picnics on the beach. With all Gaza borders tightly closed, and with no way out by land, sea or air, approximately 1.5 million Palestinians are trapped in Gaza making it the largest and most inhumane prison on earth. [153]

According to Israel's Haaretz newspaper, nearly half of the Palestinians killed by Israel in Gaza have nothing to do with terrorist organizations. The innocents killed are victims of overzealous Israeli soldiers acting out, with impunity, their hatred of Palestinians.

However, an examination by Haaretz reveals that the number of Palestinians killed by Israeli security forces was 816 during those two years, and that of them, 360 were civilians who were not affiliated with any armed organizations. Data from B'Tselem, the Israeli human rights organization, show that 152 of the casualties were under age 18, and 48 were under the age of 14. According to Diskin, 356 Palestinian Gazans were killed in 2006, and an additional 454 in 2007. [154]

In a gravely hypocritical tone, the U.S., goaded by Israel (the only nuclear power in the Middle East), has threatened to use nuclear weapons against Iran, which probably doesn't even possess nuclear weapons, in order to preempt it from acquiring nuclear weapons! Vladimir Putin criticized President Bush's approach toward Iran, insinuating that President Bush is a "madman":

To run around like a madman waving a knife is not the best way forward [21]

The puerility of Putin's name calling was only exceeded by that of Hugo Chavez, who, before the United Nations, amusingly declared President Bush to be the devil:

"The devil came here yesterday," Chavez said, referring to Bush's address on Tuesday and making the sign of the cross. "He came here talking as if he were the owner of the world."

Standing at the podium, Chavez quipped that a day after Bush's appearance: "In this very spot it smells like sulfur still." [128]

Regardless of the appropriateness of all these epithets and comparisons to bygone despots, is such behavior suitable to heads of state? Is it constructive in solving the world's problems? Or is it just symptomatic of the general deterioration of civilization?

With brazen hypocrisy the U.S. preaches democracy abroad while denying it at home. Americans displaying messages disapproved by the government are harassed and arrested; political protesters are silenced or, at best, corralled out of sight and photographed by the police; the U.S. Government claims the right to indefinitely incarcerate American citizens, such as Jose Padilla, without access to legal council, family, or even a court of law, and in defiance of the protections supposedly guaranteed by the Constitution; when a country, such as Iran, Venezuela, or Palestine holds honest, democratic elections, the U.S. refuses to recognize the elections as legitimate, which is particularly hypocritical considering the dubiousness of the U.S.'s own elections in 2000, 2004, and the presidential primary elections in 2008.

President Bush has steadfastly denied what almost everyone knows to be a fact, that the U.S. is torturing people in the course of prosecuting its “war on terror.”

November 2005: “We do not torture” [27]

September 2006: “I’ve said to the people that we don’t torture, and we don’t” [28]

October 2007: “This government does not torture people.” [29]

There is perhaps no more concise a summary of what’s wrong with American government today than its “handling” of Hurricane Katrina in 2005. Infighting between governmental bodies revealed that jurisdictional authority matters more to government than providing relief to suffering citizens. Employing the mercenary company, Blackwater, revealed the government’s readiness to resort to thuggery. Blocking the flight of residents from New Orleans, corralling people in the Superdome, and confiscating guns revealed the government’s tyrannical inclinations, the Constitution be damned. Staged photo-ops revealed the government’s willingness to deceive the citizens into believing that it was doing a “heckuva job.” As a final insult, the quest to demolish thousands of habitable low income housing units in the aftermath of Katrina reveals the corrupt and cozy relationships between the well-heeled and the government.

Violence, Ruthlessness, Oppression, and Despotism

The U.S., my home, and which for decades publicly railed against despotism (all the while clandestinely supporting many despots), is now openly ruled by what can only be described as a despotic regime, indistinguishable from those of so-called “banana republics.” Not only do our “rulers” openly snub the rule of law, they are changing the laws to suit themselves in ways unimaginable a few short years ago, thus “legitimizing” their extremely illegitimate behavior.

*A clear example can be seen in a recent bill that was passed by the US House of Representatives during the week of October 23, 2007. The bill, "H.R. 1955: Violent Radicalization and Homegrown Terrorism Prevention Act of 2007," which is to become attached as a new subsection of the Homeland Security Act, is **clearly a measure designed to give free rein to the psychopaths who control all aspects of our lives, including our governments.** [1]*

This new “thought crime” law pending in the U.S. Congress represents an order of magnitude increase in the U.S. Government’s “authority” to oppress the citizens. According to Paul Craig Roberts, former Assistant Treasury Secretary in the Reagan administration:

*The American people’s attempt in November 2006 to rein in a **rogue government**, which has committed the US to costly military adventures while running roughshod over the US Constitution, failed. Replacing Republicans with Democrats in the House and Senate has made no difference.*

...

*Harman’s bill is called the “Violent Radicalization and Homegrown Terrorism Prevention Act.” [<http://www.govtrack.us/congress/bill.xpd?bill=h110-1955>] When HR 1955 becomes law, it will create a commission tasked with **identifying extremist people, groups, and ideas**. The commission will hold hearings around the country, taking testimony and compiling a list of **dangerous people and beliefs**. The bill will, in short, create massive terrorism in the United States. But the perpetrators of terrorism will not be Muslim terrorists; they will be government agents and fellow citizens.*

We are beginning to see who will be the inmates of the detention centers being built in the US by Halliburton under government contract.

Who will be on the “extremist beliefs” list? The answer is: civil libertarians, critics of Israel, 9/11 skeptics, critics of the administration’s wars and foreign policies, critics of the administration’s use of kidnapping, rendition, torture and violation of the Geneva Conventions, and critics of the administration’s spying on Americans. Anyone in the way of a powerful interest group--such as environmentalists opposing politically connected developers--is also a candidate for the list. [122]

Lest readers assume that because this new law has not yet been passed any talk of thought crime in the U.S. is hypothetical, consider that for years numerous Americans have been arrested for *intending* to engage in acts of child molestation, domestically and internationally. These people were arrested *before* committing the crimes they were charged with. A fundamental tenet of our “justice” system is that people are only held accountable for the acts they commit, not acts committed by others, nor acts not yet committed.

Of course, thought crime is not unique to the U.S. As stated previously, it is thought crime in Germany and Austria to question, even with the soundest of arguments, the official holocaust story of World War II. China has a long history of punishing its people for thought crime, such as all those people punished for practicing the peaceful Falun Gong philosophy.

Today diplomacy is ridiculed and undermined; war is the preferred choice. What kind of “civilization” prefers death and destruction to constructive dialog and peaceful negotiation? Only a civilization suffering from a severe pathology, like a self-destructive individual.

Despite the warmongering by the U.S. and Israel against Iran, presumably partly for the benefit of Israel, a recent poll indicates that two-thirds of Israelis are *opposed* to Israel attacking Iran. [74] Yet in America, 52% of those polled *support* attacking Iran. [75] Iran is supposedly an “existential threat” to Israel, yet the majority of Israelis are opposed to an attack. Iran is no threat whatsoever to the U.S., yet the majority of Americans support an attack! Most Americans couldn’t even locate Iran on a map, and yet they favor attacking that nation. Do Americans even know what they think? Or are they simply regurgitating what the mainstream media has brainwashed into their minds?

Some of the elites in power are so keen to attack Iran that even after the U.S. intelligence agencies released their National Intelligence Estimate which laid to rest any claim that Iran has an ongoing nuclear weapons program, President Bush declared that Iran was still a threat because it *could* restart its nuclear weapons program, that “*the danger is, is [sic] at some point in the future, they show up with a weapon.*” [78] Even the conservative, normally groveling Washington Post was taken aback by President Bush’s assertion:

It was neck-snapping spin even by Bush standards. He intentionally misread the report's central point, failed to acknowledge a huge change in

his argument for why Iran is dangerous and exhibited pure bullheaded stubbornness. [78]

Even while it was pandering the purported Iranian nuclear weapon threat, the Bush administration was cultivating alternate justifications for attack: that Iran is supplying insurgents in Iraq with weapons and participating in insurgent attacks. Although emphasis on these “backup” justifications faded in recent months, in the aftermath of the damning NIE, these “backup” justifications might make a reappearance. At this point, the decision as to whether or not the U.S. will attack Iran depends not on any facts, not on the health of our nation’s finances, not on rationality, but solely on the fortitude of the Bush administration to make more war. It’s as if we’re living in the bygone days of capricious, warring kings and emperors.

[Bush] told the Israelis that he can’t control what the intelligence community says, but that [the NIE’s] conclusions don’t reflect his own views about Iran’s nuclear-weapons program. [156]

Few of the U.S. presidential candidates offer any reason to be hopeful about the restoration of sanity to our government’s international relations. With the exception of unlikely future presidents, Ron Paul, Dennis Kucinich, and Mike Gravel, all of the other candidates, Republican and Democratic alike, support attacking Iran.

Despots thrive around the world today, each enshrouded in a pretense of legitimacy. This description of the Bush administration by a former candidate for president, George McGovern, is typical of the arguments supporting the notion of a despotic U.S. presidency, but coming from a political insider it carries much weight:

Bush and Cheney are clearly guilty of numerous impeachable offenses. They have repeatedly violated the Constitution. They have transgressed national and international law. They have lied to the American people time after time. Their conduct and their barbaric policies have reduced our beloved country to a historic low in the eyes of people around the world. These are truly "high crimes and misdemeanors," to use the constitutional standard.

From the beginning, the Bush-Cheney team's assumption of power was the product of questionable elections that probably should have been officially challenged -- perhaps even by a congressional investigation.

In a more fundamental sense, American democracy has been derailed throughout the Bush-Cheney regime. The dominant commitment of the

administration has been a murderous, illegal, nonsensical war against Iraq. That irresponsible venture has killed almost 4,000 Americans, left many times that number mentally or physically crippled, claimed the lives of an estimated 600,000 Iraqis (according to a careful October 2006 study from the Johns Hopkins Bloomberg School of Public Health) and laid waste their country. The financial cost to the United States is now \$250 million a day and is expected to exceed a total of \$1 trillion, most of which we have borrowed from the Chinese and others as our national debt has now climbed above \$9 trillion -- by far the highest in our national history.

All of this has been done without the declaration of war from Congress that the Constitution clearly requires, in defiance of the U.N. Charter and in violation of international law. This reckless disregard for life and property, as well as constitutional law, has been accompanied by the abuse of prisoners, including systematic torture, in direct violation of the Geneva Conventions of 1949. [129]

The rogues gallery of despots today includes not just President Bush, but also Ehud Olmert, Hugo Chavez, Pervez Musharraf, Robert Mugabe, Kim Jong Il, and Vladimir Putin, who, in a few short years, allegedly managed to squirrel away some \$40 billion, a feat that took savvy investor, Warren Buffet, a lifetime to achieve.

Citing sources inside the president's administration, Belkovsky claims that after eight years in power Putin has secretly accumulated more than \$40bn (£20bn). The sum would make him Russia's - and Europe's - richest man. [125]

Today we witness despots congratulating one another, as when President Bush congratulated Pervez Musharraf for making himself president for another term:

*US President George W. Bush was the **first** foreign leader to congratulate General Pervez Musharraf [sic] **after he had himself sworn in Thursday to a further five-year term as Pakistan's president.** [60]*

And what does it say about the state of "civilization" that several of the despots listed above, including President Bush, are quite popular with their citizens? It's not a hopeful sign that even the clergy is succumbing to the spells cast by these despots. The U.S. Department of Homeland Security recently sought the support of the clergy to help maintain civil order and obedience in the event that martial law is declared in the U.S. And according to Christian Pastor Chuck Baldwin, the clergy in the U.S. is following the same path as that in Germany during Hitler's reign:

*If the reader has not already done so, I again urge you to read the book, **Hitler's Cross**, which was written by Erwin Lutzer and published by Moody Press. This book should be "required reading" for every pastor and Christian layman in America. In his book, Lutzer focuses on the attitudes and actions of Germany's pastors and churches during the rise and reign of the Third Reich. It is a masterpiece.*

*For those of us living in a country and time far removed from Hitler's Germany, it is hard to comprehend how that nation's Christians--and especially its ministers--could have been so thoroughly taken in by old Adolf. We assume such an event could never happen again--especially to us. **However, to any honest observer of history, the conditions of the Church in America today are eerily similar to those of the Church in Nazi Germany.***

For one thing, as did the Church in Nazi Germany, the Church in America has become infatuated with Big Government. Historically, patriotism in the United States meant love for God, love for family, and love for freedom and independence. Today, however, Christians of all persuasions have come to accept and even embrace the Nanny State, complete with its intrinsic obsession with an omnipotent federal bureaucracy that exercises perpetual surveillance and absolute control over every area of our lives. [130]

Despotism goes hand in hand with corruption, and nothing is more corrupt than the "war on drugs." It's pretty certain that the U.S. government was active in promoting the consumption of crack cocaine in the 1980s. [63] It's likely that the CIA was importing drugs through Mena, Arkansas while Bill Clinton was governor of that state. [64]

*In the early 1990s, the CIA ran a spook mission designed to infiltrate Colombian narco-trafficking groups that resulted in at least a ton of cocaine — some estimates put the figure much higher — entering the United States unchecked. **The former head of the DEA, Robert Bonner, incensed at the Agency's actions, which were carried out over DEA's objections, went on national TV at the time and essentially accused the CIA of engaging in drug trafficking.** [97]*

Even as recently as September, 2007, evidence surfaced that the CIA is still involved in drug trafficking, when a small jet plane carrying several tons of cocaine crashed in Mexico. What really happened is murky, but it appears that the plane at one time belonged to or still belongs to the CIA. In fact, the plane was identified as participating in the "rendition" of people to foreign soil to be tortured,

which is a CIA operation.

This Florida based Gulfstream II jet aircraft # N987SA crash landed on September 24, 2007 after it ran out of fuel over Mexico's Yucatan Peninsula it had a cargo of several tons of Cocaine on board now documents have turned up on both sides of the Atlantic that link this Cocaine Smuggling Gulfstream II jet aircraft # N987SA that crashed in Mexico to the CIA who used it on at least 3 rendition flights from Europe and the USA to Guantanamo's infamous torture chambers between 2003 to 2005. [95]

Others have speculated that the crashed plane was being operated by the U.S. Immigration and Customs Enforcement (ICE) as part of some bizarre plan, and that the CIA was using ICE as a cover, affording the CIA plausible deniability in the event that anything went awry.

The bottom line, though, according to the DEA sources who leaked the information to Narco News, is that the real purpose of the Mayan Express operation remains unclear, as does the volume of drugs involved in the operation to date.

*One proposition that all of the law enforcers who spoke with Narco News agreed on with respect to the Mayan Express is that even if DEA was precluded from participating in the effort, **the CIA almost certainly was involved on some level.** They say no law enforcement operation is carried out overseas without the CIA lurking in the background. [97]*

Aside from what really happened in this case, it's apparent that there has been a long, ongoing battle between the DEA to halt drug trafficking and the CIA to participate in it. The book, *Deep Cover*, written by former DEA agent Michael Levine, stated quite bluntly that the DEA would arrest drug traffickers and the CIA would get them released.

Deep Cover, a New York Times non-fiction bestseller, is a first-hand account of how the CIA, State and Justice Departments teamed up to destroy a DEA undercover sting operation that threatened to expose U.S. government ties to drug-financed governments in Mexico, Panama and Bolivia. Written by the man 60 Minutes called "America's top undercover cop." [150]

What kind of a crazy system do we have when one arm of the government is actively fighting another arm of the government. It's interesting to note that the Taliban in Afghanistan had almost halted opium

production. But following the U.S. invasion of that nation opium production soared to record levels. [143] It just so happens that CIA torture rendition flights were also quite active in that part of the world. Aside from the question of whether prosecution of the “war on drugs” is corrupt, has it even been effective?

Up until methamphetamine, the War on Drugs had targeted three enemies. First there were the hippie drugs - marijuana, LSD - that posed little threat to the general public. Then there was heroin, a horrible drug but one that was largely concentrated in New York City. And, finally, there was crack. What meth proved was that even if the DEA could wipe out every last millionaire cocaine goon in Colombia, burn every coca field in Bolivia and Peru, and build an impenetrable wall along the entire length of the Mexican border - even then, we wouldn't have won the War on Drugs, because there would still be methamphetamine, and after that, something else. [62]

At some point a rational society has to admit that a goal is futile. An irrational one simply redoubles its futile efforts. Having failed to prevent petty drug users from using drugs or drug traffickers from trafficking, the government trained its sights on the weakest segment of society, the suffering ill.

*[General Barry] McCaffrey had taken the drug war in a new direction, one that had **little obvious connection with preventing drug abuse**. For the first time, the full force of the federal government was being brought to bear on patients dying from terminal diseases. [62]*

One consequence of the government's war on the ill is that doctors are now afraid to prescribe pain killing medication to patients in sufficient doses to actually eliminate their pain. If doctors prescribe more drugs than the government deems legitimate, they will likely come under the scrutiny of “drug warriors” and possibly even face prosecution as a drug dealer.

No one is sure what convinced President Clinton to approve such an ambitious escalation in the War on Drugs. But some observers at the time speculated that the critical factor was a conversation with Sen. Christopher Dodd, the Connecticut Democrat, whose state is home to the helicopter manufacturer Sikorsky Aircraft. In early 2000, Clinton unveiled Plan Colombia - and Sikorsky promptly received an order for eighteen of its Blackhawk helicopters at a cost of \$15 million each. "Much has been made of the notion that this was Dodd looking to sell Blackhawks to Colombia," Beers tells me. He pauses before adding, "I am not in a position to tell you it didn't happen." [62]

My question, though, is why are we attempting to prohibit drugs anyway? Drug users are affecting only themselves. If need be, we can punish people for endangering others while under the influence of drugs, like we do now with alcohol. It seems to me that drug control is really about *control*, power over people. And it's about money for the drug growers, the drug traffickers, the intelligence agencies, the government bureaucracies, and the corporations that build prisons, manufacture drug war-related paraphernalia, and manufacture "competing" drugs like alcohol and cigarettes. Think my suspicions are off base? Here's retired Michigan police detective Howard Wooldridge:

The question arises! Who supports the drug war? Officer Wooldridge said, "Osama Bin Laden, President George Bush, The Ochoa Brothers, John Walters (USA's Drug Czar), Congressman Mark Souder, Mexican Drug Cartels, DEA, FARC, National Association of Narcotics Officers, Canadian Cannabis Growers Association, Pharmaceutical Industry, Al Qaeda, Private Prison Association, Meth Makers of Mexico Association, MS-13 drug gang, California Narcotic Officers' Association, Crips & Bloods, Deputy Chief Thomas Gorman of California, Pablo Escobars' Amigos, Congressman Duncan Hunter, Columbian Coca Growers Association, Senator John McCain, et al, Fundamentalist Christian Association, the Washington Post and the New York Times." [137]

Notice that many of these groups have a financial interest in perpetuating the "war on drugs"? Thanks in large part to the "war on drugs," local police forces have eagerly become the henchmen of despotic regimes around the world. The U.S. Government has purchased the full allegiance of local police forces in America by giving them additional power through federal laws, military training, and military weaponry. As a result, local police forces now demonstrate fealty not to the local citizens who pay their salaries, but to the federal government.

The "war on drugs" illustrates why policy formulated in the U.S. matters to the rest of the world. Just like in the U.S., the "war on drugs" prosecuted in Thailand became a license to steal and murder, with the encouragement of the U.S.

*Thailand's war on drugs – **vigorously approved by the Bush administration** – has received far less attention in the United States than it deserves.*

...

*Throughout Thailand, local officials set up black boxes or mailboxes and encouraged people to accuse anyone suspected of involvement with narcotics – no evidence required. **Many people used the anonymous system to accuse business competitors or personal enemies.** According to*

a 2004 U.S. State Department human-rights report, the interior minister warned “governors and provincial police that those who failed to eliminate a prescribed percentage of the names from their blacklists would be fired.”

...

Governors were permitted to keep 35 percent of all the drug assets they confiscated, and police detectives were entitled to skim 15 percent of the loot.

...

*Amnesty International reported that the government’s murder spree left many Thais “**afraid to leave their homes**, and others avoided traveling to areas where they were not known for fear of being suspected as drug traffickers and shot dead.”*

...

According to the U.S. State Department, 307 people were killed worldwide in international terrorist attacks in 2003. The Bush administration endorsed and helped finance an anti-drug crackdown that killed more than seven times as many people in a single country as were killed by all the international terrorists in the world that year. [144]

What happened in Thailand sounds an awful lot like what continues to happen here in the U.S., although prosecution of the drug war here is kept lower key to avoid alarming the populace. We wouldn’t want to make people in the U.S. “afraid to leave their homes,” because how then would they get to the mall?

The tasing epidemic in the U.S. reveals the new attitude of local police toward the citizenry: the citizens are now “them” and must be controlled. Most of the tasing incidents seem to be motivated, not by any credible threat to a police officer’s safety, but by a failure of the citizen to be docilely obedient. According to the manufacturer’s web site, tasers are supposed to be a “safe” alternative to guns:

Our mission is to protect life by providing safer, more effective force options and technologies. [133]

However, nearly 300 people have died in the U.S. and Canada in the last six years after being shot with

tasers. [59] Instead of being appalled by the aggressive abuse of lethal tasers by the police, the citizens of the U.S. are instead *mimicking* the police by acquiring tasers of their own!

Shafman isn't an employee of Scottsdale, Ariz.-based Taser International. She's an independent entrepreneur who's been selling Tasers the way her mother's generation sold plastic food storage containers.

As a single woman who lives alone, Shafman says she's the perfect pitchwoman for Taser as it makes a renewed push to sell weapons to families.

The company agrees. Taser officials like Shafman's homespun sales tactics so much that they plan to build a living room set at the International Consumer Electronics Show in Las Vegas and have Shafman hold a Taser party for buyers and dealers. [127]

Even more bizarre, but oh so fitting today, is a new taser for “consumers” that includes an MP3 player:

*Deborah Kerr in **The King and I** recommended whistling a happy tune when afraid, but **now fearful Americans can sing along to their favourite tracks while shooting anyone who causes them consternation with a 50,000-volt electric charge.***

The annual Consumer Electronics Show (CES) in Las Vegas, which is expected to receive more than 140,000 visitors this week, is no stranger to bizarre gadgets but the iTaser - as it has been dubbed - must rank as one of the oddest. It combines a Taser stun gun, used by 12,000 law enforcement and security forces, including the Metropolitan police, with an MP3 player and earphones. [145]

As I said before, when an organization becomes corrupted by the influence of evil, a deranged mentality trickles down from its highest levels to its lowest, which in the case of a society is the citizens. There was a time when our society abhorred violence, when violence was something to be avoided, not cheerfully escalated, accompanied by a musical soundtrack. I shake my head with astonishment at these people who embrace and worship an instrument of torture and death, such as the taser. What's next? Will some enterprising company soon begin selling brightly colored consumer torture kits on the TV for \$19.95, that include all the necessary equipment for waterboarding defiant children?

It's bad enough that police regularly brutalize the citizens, but it's even worse that they joke about it:

The revelation came after a photograph of the graduation program of a police academy in the state of Idaho was e-mailed anonymously to news outlets throughout the state.

It showed that the slogan, “Don’t suffer from PTSD, go out and cause it,” is printed on the academy’s graduation programs. [100]

As if on cue, just days later the police in Schenectady, New York went out and opened up a can of PTSD on a drunk driver, an act that resulted in the suspension of at least three officers. [101] Part of the explanation for increased police aggressiveness may be their use of illegal drugs, particularly steroids, which are known to increase aggression:

Few, however, are aware that the U.S. Drug Enforcement Agency has been investigating the increasingly widespread use of steroids by police since 2005. [11]

Fortunately for the police, they are often exempt from the random drug testing that citizens, including children, are increasingly subjected to:

But according to Dane County Sheriff Dave Mahoney, it's not unusual for police officers to be spared random testing, even though many people in the private sector are subjected to it. [99]

Police are responsible for enforcing the laws. What does it say about a society in which those responsible for enforcing the laws are themselves violating the laws?

Schoolchildren in New Jersey aren’t as fortunate as police officers who use drugs, and are now being given Breathalyzer tests in school. [124] Although touted as a measure to improve the learning environment – as if that’s really the problem with the school system – it conveniently helps inure children to submitting to authority.

"I'm all for it because if your child isn't doing anything wrong, then you have nothing to hide," parent Barbara Fede said. [124]

Wow! That’s almost the same naive faith in authority that some citizens demonstrate regarding government surveillance of us, wherein the argument goes something like, “If you’re not doing anything wrong, you’ve got nothing to worry about.” Yeah, sure. Until the government makes a mistake, or errantly puts your name on a watch list, or breaks down the door of your house on a bad tip

from a paid drug informant, or confiscates your travel money as you walk through an airport.

As if brutalizing the citizens is not bad enough, police in America are apparently under so much pressure to look useful that they now appear to be entrapping people. According to Paul Craig Roberts, former Assistant Treasury Secretary in the Reagan administration:

The corrupt New York Police Department ensnared 300 innocents during 2007 via "Operation Lucky Bag." Police place iPods, cell phones, wallets, and shopping bags containing items in New York subway stations. The items appear to be dropped, lost, or abandoned. Anyone who picks up one of the planted items is arrested for "subway grand larceny."

This particular police atrocity is in conflict with New York law, which allows someone who finds property 10 days to turn it in to the police or to find the owner.

...

On December 29, I received yet another email from a law-abiding American family harassed by police. The family refused to sell a \$75,000 piece of property to a deputy sheriff for \$4,000. Farm operations were obstructed. The mother was stopped every time she went out in the car. The son was framed and sent to prison. [110]

Some actions by police today are “over the top,” yet they are *defended* by the power structure. Consider this incident in which a man, who was totally unaware that he was even the subject of police interest, was brutalized and arrested for appearing “nervous”:

So what was a SWAT team doing downtown? Well, in an entirely unrelated incident, an employee of a pizza parlor called police because he was afraid of a customer who was acting ‘jittery’ and ‘very agitated’ and thought he ‘may be armed.’

*The massive police response was inexplicable. It was termed a ‘standoff’ that went on for half an hour before police entered the restaurant, guns trained on the suspect who, unaware that he was even the object of their attention, dove under a table. Traumatized, he was walked outside, backwards, and made to kneel on the sidewalk, hands in the air, a policeman’s gun pointed at his head. He was not armed. But, he was arrested anyway and **charged with disorderly conduct and disturbing the peace**. The school lockdowns were lifted shortly thereafter.*

*The man was, in fact, the executive director of Geneva-based U.N. Watch, Hillel Neuer, who was visiting Boston to deliver a speech. Fortunately, charges against him were dismissed by the local Clerk Magistrate, **who found no probable cause even to have arrested the man.** Thus, the charges sound like a weak attempt by police to save face.*

No probable cause and yet a SWAT team was called in. [94]

The police referred to the incident as a “standoff”? How can it be a standoff when the supposed “perpetrator” is unaware that he is even seen as such? Then to cover their asses, the police charged this totally innocent man, who had done absolutely nothing, who was minding his own business, with *disorderly conduct and disturbing the peace!* If anything, it was the police who were guilty of disorderly conduct and disturbing the peace. Unfortunately, this incident was but one of many routinely insane overreactions by the police. I believe that law enforcement agencies today are under pressure to intimidate the public, to demand absolute obedience from the public no matter how unreasonable the demand. So these displays of excessive force, followed by absurd justifications, are deliberately intended to send a message to the public to comply, or else.

Police SWAT teams were deployed in yet another obedience lesson to forcibly take an 11-year-old boy with minor injuries to the hospital!

The case involves Jon Shiflett, who injured himself while trying to grab the handle of a door on a car his sister was driving. He slipped and fell to the pavement, hitting his head. His parents treated him for the injury and rejected paramedics' demands that they be allowed to take him to a hospital.

...

Tina Shiflett, Jon's mother, has written a letter to the editor to a local newspaper, the Post Independent, "to awaken, alert and appall any who read it and hear the bells ringing."

"A fully armed SWAT team broke into our home, slammed my children to the floor face down with their hands behind their backs and shoved a gun in my daughter's face and handcuffed her..." her letter said.

In a separate letter to WND, she elaborated a little more fully.

During the attack, she wrote, "One (officer) grabbed my daughter Beth (18 years), who also had a gun to her face, slammed her down and kned her

in the back and held her in that position... My sons Adam (14) and Noah (only 7) lay down willingly, yet they were still forced to put their hands behind their backs and were yelled at to keep their heads down.

"My daughter Jeanette was coming out from the back bedroom when she was grabbed, drug down the hallway, across a couch and slammed to the ground," she said. "The officers then began throwing scissors and screwdrivers across the room (out of our reach, I suppose) and going through our cupboards.

"I asked if I could make a phone call and was told, 'no.' My daughter asked if that wasn't one of our rights. The reply was made, 'That's only in the movies,'" she told WND. [134]

After being examined at the hospital, the traumatized boy was returned to his parents, who were instructed to provide exactly the same treatment for the boy they were already providing prior to the SWAT raid! The police raid placed several members of the family at risk of serious injury and death, all in order to treat one family member for minor injuries. Where is the logic and common sense here? Obviously, this was an obedience lesson for the family: obey the demands of the “authorities,” regardless of whether they are reasonable, or else.

In yet another incident, the police erroneously broke into a house and tasered a deaf man who was wearing only a towel and was frantically pointing to his ear, telling the police he was deaf. [66] What happened to good judgment? Even from a distance of a thousand miles I know that a man confronted in his own home, wearing nothing but a towel, and frantically indicating that he’s deaf is no threat. So what’s wrong with those cops?

“Asset forfeiture” has become a license for the police to steal from the citizens, plain and simple. What started out as a tool to steal from organized crime has morphed into a tool for stealing from everybody. Today people will have their cash stolen by the police while walking through an airport or driving down a road; they will have their property stolen if any trace of drugs is found on it, even if that evidence is planted by the police themselves; they will have their car stolen if the car is used while hiring a prostitute, even if the car is owned by someone other than the “john”; they will have cash stolen from their homes if they call the police to report a crime. Asset forfeiture laws permit the police to confiscate a person’s property by declaring it “ill-gotten.” In most cases, the stolen property, not the owner, is charged with a crime. Since the Constitution protects the rights of *people*, charging property with a crime is a clever way for the police to get around the Constitution. It’s nearly impossible for a victim of such theft to get their property back, and the police get to keep the property or sell it and keep the proceeds, which gives them a nice incentive to engage in the practice.

*Two robbers who broke into Luther Ricks Sr.'s house this summer may have not gotten his life savings he had in a safe, **but after the FBI confiscated it he may not get it back.***

*Ricks has tried to get an attorney to fight for the \$402,767 but he has no money. Lima Police Department officers originally took the money from his house but the FBI stepped in and took it from the Police Department. **Ricks has not been charged with a crime and was cleared in a fatal shooting of one of the robbers but still the FBI has refused to return the money, he said.***

"They are saying I have to prove I made it," he said. [132]

How can any of us prove that we own the things we do? It's a totally unreasonable demand, especially when applied retroactively. Such a demand is contrary to both the letter and the spirit of the Constitution. I guess from now on people must retain copies of every check received, receipts for every bank deposit made, and receipts for every item purchased in order to prove that they own everything they own.

In the last few years I've had several bizarre encounters with troopers while driving along the highways. During one such encounter I was stopped by a trooper in Utah because I had only one license plate on my car. When I explained that the state of Kentucky only issues one license plate, the trooper replied that the state of Utah requires two license plates on *every* car traveling through that state. He was utterly incapable of understanding that I could not possibly comply with his demand, as I do not issue Kentucky state license plates. That encounter perfectly illustrated that compliance with the rules is all that matters to the police, no matter how irrational the rules are. The trooper told me I had done nothing wrong, but that he was giving me a verbal warning anyway! What a contradiction.

There seems to have been a fundamental shift in the mindset of police today, from "protect and serve" to "persecute and steal." It's not sufficient to say that the cops are simply "out of control". They are that, but they are not the drivers of their insane behavior. Their insane behavior is merely a reflection of the insanity that has infected their superiors in government in particular and "civilization" in general.

It's not just cops that mete out instant punishment anymore. Apparently some paramedics today are complicit in the administration of torture at the behest of cops! [34]

*Wilkerson's alleged 'crimes' consisted of intervening to assist an unconscious man who in her estimate was in grave risk of asphyxiation after an Ann Arbor cop had inflicted unnecessary and **sadistic force**, and a **paramedic had compounded the brutality** by breaking three ampoules of*

ammonia under the unconscious man's nose, saying, 'You don't like that, do you.' [70]

The paramedic's cruel taunt reveals a certain relish at inflicting discomfort on his "patient." Again it reminds me of the Star Trek episode titled *Mirror, Mirror*, because in it the medical practitioners in the "evil" universe wager on how much pain their patients can endure.

Perhaps most disturbing is that the absurd charges against Ms. Wilkerson, a medical doctor, were sought by the University of Michigan in an attempt to suppress free speech. Aren't universities supposed to be bastions of enlightenment and civility? Universities today seem to be on the front lines of spreading fascism. Fortunately, a sensible jury saw through the lies of the police department and acquitted the accused. [70]

From Harvard to UCLA, the ivory tower is fast becoming the latest watchtower in Fortress America.

...

Many campus police departments are morphing into heavily armed garrisons, equipped with a wide array of weaponry, from Taser stun guns and pepper guns to shotguns and semiautomatic rifles. [146]

Schools in America have willingly become the leading edge of fascism. In the state of Maryland recently, the school system teamed up with the pharmaceutical industry to force children to be vaccinated, even against the wishes of their parents:

*Following the State of Maryland's threats against parents who refuse to have their children vaccinated, **children were herded into a Prince George County courthouse being guarded by armed personnel with attack dogs.** Inside, the children were forcibly vaccinated, many against their will, under orders from the State Attorney General, various State Judges and the local School Board Director, all of whom illegally **conspired to threaten parents with imprisonment** if they did not submit their children to vaccinations.*

...

Conventional (pharmaceutical) medicine is the only system of medicine in the world that is so unpopular with informed consumers that it must be

administered at the barrel of a gun. There is no other system of medicine anywhere in the world that resorts to such tactics to recruit patients. [82]

In addition to ensuring the sale of many doses of vaccine, the school system's heavy handed intimidation of the parents and their children served one additional purpose: it helped instill more obedience and fear into the populace.

In Chicago the inculcation of schoolchildren into a militarized mindset is even more overt:

*One in 10 public high school students in Chicago wears a military uniform to school and takes classes -- **including how to shoot a gun properly** -- from retired veterans. [35]*

The Army's "Adventure Van" lets schoolchildren play video games that simulate weaponry and combat, with the full endorsement of the school system:

*A ninth grader in a suburban Washington DC classroom is delighted to be **excused from Algebra class to spend a half hour shooting a life-like 9 MM pistol and lobbing explosive ordinance from an M1A2 Abrams tank simulator.** At the same time 3,000 miles away in La Habra, California, a 15 year-old girl is **released from English class to squeeze off rounds from a very real looking M-16 rifle.** The kids thoroughly enjoy the experience, especially the part about getting out of class. [36]*

It should be obvious what is going on here. The U.S. military is mining for its next generation of "volunteers." The U.S. military favors voluntary service over conscription because people who volunteer to serve in the military are predisposed to violence and killing, whereas random conscripts are not. The Army's video "games" and weapon simulators help identify individuals who are predisposed to violence and killing. Voluntary service, despite creating a smaller pool of soldiers to draw upon, has yielded more *effective* killers.

*In On Killing, Lt. Col. Dave Grossman has re-written military history, to highlight what other histories hide: **The fact that military science is less about strategy and technology, than about overcoming the instinctive human reluctance to kill members of our own species. The true "Revolution in Military Affairs" was not Donald Rumsfeld's move to high-tech in 2001, but Brigadier Gen. S.L.A. Marshall's discovery in the 1940s that only 15-20% of World War II soldiers along the line of fire would***

use their weapons: “Those (80-85%) who did not fire did not run or hide (in many cases they were willing to risk great danger to rescue comrades, get ammunition, or run messages), but they simply would not fire their weapons at the enemy, even when faced with repeated waves of banzai charges” (Grossman, p. 4).

Marshall’s discovery and subsequent research, proved that in all previous wars, ***a tiny minority of soldiers — the 5% who are natural-born psychopaths, and perhaps a few temporarily-insane imitators — did almost all the killing.*** Normal men just went through the motions and, if at all possible, refused to take the life of an enemy soldier, even if that meant giving up their own. The implication: Wars are ritualized mass murders by psychopaths of non-psychopaths. (This cannot be good for humanity’s genetic endowment!) [123]

People who are predisposed to antisocial behavior, and who are additionally brainwashed to be devoted to governmental authority over all else, make ideal agents for perpetrating evil even against their own nation. It’s increasingly evident that 9/11 was perpetrated by the U.S. Government in order to pass repressive laws, such as the Patriot Act, and launch the phony “war on terror.” No longer is skepticism of the “official” conspiracy theory limited to esteemed scientists, engineers, former U.S. intelligence agents, and former U.S. military officers. Now even heads of state, such as the former Italian President, Francesco Cossiga, openly state the obvious:

*[Bin Laden supposedly confessed] to the Qaeda September [attack] to the two towers in New York [claiming to be] the author of the attack of the 11, while all the [intelligence services] of America and Europe ... now know well that **the disastrous attack has been planned and realized from the CIA American and the Mossad** with the aid of the Zionist world in order to put under accusation the Arabic Countries and in order to induce the western powers to take part ... in Iraq [and] Afghanistan. [80]*

Ironically, the U.S. Government’s “war on terror” seems to have only increased the threat of terrorism.

Ironically, while Bush and Cheney made counterterrorism the battle cry of their administration, their policies -- especially the war in Iraq -- have increased the terrorist threat and reduced the security of the United States. [129]

In order to solve its social problems, the U.S. periodically launches a new “war on (blank).” Aside from

the savage violence implied by declaring war on anything, addressing every major problem from a “war” footing underscores the militarized mindset of our society. It also seems that whenever the U.S. has launched a “war” on anything it has simply resulted in the object of scorn becoming more prevalent. The “war on drugs” has increased the availability of drugs and lowered the price.

All told, the United States has spent an estimated \$500 billion to fight drugs - with very little to show for it. Cocaine is now as cheap as it was when Escobar died and more heavily used. Methamphetamine, barely a presence in 1993, is now used by 1.5 million Americans and may be more addictive than crack. We have nearly 500,000 people behind bars for drug crimes - a twelvefold increase since 1980 - with no discernible effect on the drug traffic. Virtually the only success the government can claim is the decline in the number of Americans who smoke marijuana - and even on that count, it is not clear that federal prevention programs are responsible. [62]

Despite the “war on poverty,” today more people live in poverty and there is greater disparity between rich and poor. Despite the “war on cancer,” cancer seems to be more prevalent than ever. It’s important to note that, consistent with our fascist system, every one of these “wars” benefits the private sector as long as the “wars” are being waged. The “war on terror” benefits the arms industry. The “war on drugs” benefits the prison industry and all the corporations that employ prison labor in the U.S. The “war on cancer” benefits university researchers and pharmaceutical firms. Even the “war on poverty” benefits providers of low income housing who enjoy subsidies from the government. And all of these “wars” benefit the government bureaucracies that manage them, which partly explains why approximately one in six workers in America works for the government. That means each worker in the private sector is paying the salary of one-fifth of a government worker! Considering the benefits of these “wars” to the government and the parasitic corporations that participate in them, there’s little incentive to actually “succeed” and conclude any of these “wars.” On the contrary, from the point of view of the prosecutors of these wars, it’s better to fail, so as to perpetuate them.

It’s no wonder, what with the militarization of society, that one of the more popular shows on TV is *24*, which lauds the same kind of ruthless brutality we see in evidence in real life places such as Iraq. Ironically, the star of the TV show, Kiefer Sutherland, is hardly a real life role model for law and order because he’s serving a jail sentence for a second drunk driving conviction in three years. [71] There was a time when our movie star idols were actually decent people, like Elizabeth Taylor and Paul Newman.

The inculcation of a militarized mindset in Americans has made them bloodthirsty for retribution. One has only to examine the popularity of the death penalty here to see that bloodlust. The U.S. is among the top five countries in the world that executes its people. The lust to execute people has gotten so absurd that prisoners are sometimes “healed” so that they can be executed, because it’s considered “uncivilized” to execute impaired people. In 2003, a judge ruled that an Arkansas man should be “cured” of his mental illness before being executed! In 2006, the same absurdity was repeated in Texas.

In 2007, the state of Alabama sought to expedite the execution of a man *before* he could die of cancer! In 2004, a Texas man was sentenced to die on the presumption that he was likely to commit more violent crimes in the *future*! [136]

Two recent proposals from California provide a glimpse of the crushing totalitarian society we're rushing toward. One proposal, by the agency that collects tolls from California roads, is downright draconian:

*Toll road officials in San Francisco, California want the authority to **seize any vehicle accused of "cheating" on toll payments.***

...

*It also would like the authority to **revoke the driver's license of a vehicle owner accused of not paying a notice of violation.** Despite the tough talk, however, the tolling agency grudgingly admits **some violations are not actually the fault of the motorist.***

*"**These violations mainly result from the toll lane equipment not reading the tag of a FasTrak customer,**" BATA Deputy Executive Director Andrew B. Fremier wrote in a memo to committee members. "There are a number of reasons that the lane equipment may not read a tag of a FasTrak customer, including the tag reader in the lane becomes misaligned... or the toll tag malfunctions."*

*In 2005, FasTrak system overcharged at least 600 motorists crossing the Bay Bridge between San Francisco and Oakland because **ACS, the company in charge of the program, allowed its laser scanning devices to become dirty.***

...

*It also wants the authority to **take money out of the paycheck of anyone accused of not paying a fine.** [147]*

These are rather severe penalties for merely failing to pay a toll, which, as the executive director admitted, is often the result of faulty equipment! As bad as that proposal is, the other proposal from California is even more troubling:

*Next year in California, state regulators are likely to have the **emergency power to control individual thermostats**, sending temperatures up or down through a radio-controlled device that will be required in new or substantially modified houses and buildings to manage electricity shortages.*

...

*The changes would allow utilities to adjust customers' preset temperatures when the price of electricity is soaring. Customers could override the utilities' suggested temperatures. But **in emergencies, the utilities could override customers' wishes.** [148]*

Here's an idea, when demand for electricity is high and the price rises, why not pass those price increases on to consumers? That would be a "free market" solution, consistent with the economic law of supply and demand, that allows people to choose whether they'd rather be cool or save money. What makes this thermostat control proposal dangerous, though, is that it sounds so sensible: In a power emergency the government can turn down people's air conditioners. Implicit in, but glossed over by the proposal, is the failure of the state's infrastructure to keep up with population growth. Who is it that has usurped the authority for the "planning" that is supposed to accompany population growth? The state! The state has failed to plan effectively, so it now proposes to penalize the citizens.

But the most dangerous aspect of the thermostat proposal is the precedent it establishes, that anytime we're faced with a crisis, instead of solving the crisis (for example, by building more electricity plants commensurate with population growth), the state has free reign to impose draconian controls on us. These initially benign-sounding forms of control *always* end up undergoing mission creep. There is no doubt whatsoever that should the thermostat control proposal be adopted, it will become a new crime for citizens to alter the set point of their own thermostat! Why stop with the thermostat? Why not let the state control our phone lines, our water supply, our cable TV service, operation of our vehicles, and use of our credit cards?

Consistent with the U.S.'s fascist economic model, both of the above proposals involve collaboration between the state and private sector companies that already profit from the system, and which will probably profit more if these oppressive new proposals are adopted. The way these fascist schemes are set up, the state and the companies involved often profit more from system failures, giving them a double incentive to allow the systems to deteriorate. The parties involved save money by cutting back on maintenance, and then assess the citizens with extra penalties resulting from equipment failures, hoping the citizens will acquiesce and pay them despite their innocence because the hurdles imposed on citizens wishing to rectify the wrong against them are too high to make the effort worthwhile. What astonishes me is that people continue to tolerate ever more punishing, restrictive, and intrusive proposals like these. What will it take before people yell, "Enough!"?

These proposals reveal the mindset of those in power: "they" are omnipotent and "we" must comply

with their rules, no matter how unreasonable. The penalties for failing to comply, even if it's not our own fault, are severe and unforgiving. Increasingly, "free" society resembles prison life, with its myriad capricious, strict, and inflexible rules.

Despite "fascism" being viewed by most people in the U.S. as hypothetical, something we should seek to avoid, this nation is unquestionably fascist *today*, and numerous industry groups in the U.S. have discovered that fascism is good for profits:

- The weapon, construction, and mercenary industries benefit from sweetheart deals with the U.S. Government while it's involved in Iraq. Even during peacetime, the U.S. Government has been known to lavish money on these industries that support the military.
- The prison industry, perhaps more appropriately called the prison-industrial complex, benefits greatly from the government's creation of more and more criminals through vehicles such as the "war on drugs." The U.S. has 2.2 million people in prisons and jails right now, more than any other country, including China, which is notorious for its heavy-handedness and has over four times the population of the U.S.! The prison-industrial complex profits from building prisons, operating prisons, and exploiting the labor of prisoners at pay rates orders of magnitude below those in the private sector. Thus, every company that utilizes prison labor saves considerable sums of money on labor costs.
- The pharmaceutical industry benefits from the new Medicare drug benefit that inhibits the U.S. Government from negotiating lower prices for drugs. It also benefits from school districts that force children to undergo vaccinations. If there is any sort of disease epidemic in this country, such as a flu epidemic, the government will almost certainly push for mandatory vaccinations, regardless of whether the vaccines are safe or efficacious, but nevertheless enriching the coffers of the pharmaceutical industry.
- The genetically modified foods industry benefits from government enforcement of its "intellectual property" rights, forcing farmers to buy fresh seeds every season. Just to make sure that farmers buy fresh seeds every year, the GM foods industry has developed "terminator" seeds, so that the plants from which won't produce viable seeds. Is it not foolish to tinker with our food supply like this?
- The Business Software Alliance (BSA) has employed government agents and police forces in SWAT-style raids of businesses alleged to be in violation of software licensing rules.
- The Motion Picture Association of America (MPAA) is increasingly using the power of government to protect its "intellectual property" rights. According to its web site, it apparently views itself as an extension of government itself:

*Since its early days, the MPA, often referred to now as "**a little State Department**," has expanded to cover a wide range of foreign activities*

*falling in the **diplomatic, economic, and political arenas**. The Motion Picture Association conducts these activities from its **headquarters in Washington, D.C.** and from offices in Los Angeles, California; Brussels; São Paulo; Singapore; and Toronto. [135]*

One might assume that the MPA would be based in Los Angeles, the movie-making capital of the U.S., rather than Washington, D.C.

- The Recording Industry Association of America (RIAA) is far and away the most ruthless proponent of the fascist business model. It has succeeded in recruiting universities as surveillance agents, hunting down copyrighted music traveling across their computer networks. It has targeted individuals, threatening them with crippling lawsuits:

The RIAAs criticized methods of identifying individual users has led to the issuing of subpoenas to a dead grandmother, an elderly computer novice, a woman with multiple sclerosis, and even those without any computer at all. [81]

It appears as though the RIAA's legal assault on the weak public has become an alternate revenue stream and a means to intimidate the public. Its tactics are consistent with the brutal and ruthless government tactics which have become the norm. If music sales are declining it's because the price of CDs is too high and because the traditional music distribution model is outdated. People don't want to buy an entire overpriced CD anymore just to obtain a single song. Frankly, I don't understand why artists do business with the recording industry at all. They could sell their music directly from their own web sites and enjoy a far larger portion of the revenue while giving customers lower prices. The recording industry is nothing but a parasitic middleman, just like the health insurance companies, and it's desperately fighting to retain this outdated model, just like the health industry, by using the force of law.

- I'm sure the health insurance industry is avidly behind Hillary Clinton's presidential bid – or maybe it's the other way around – because one of her stated proposals so far is to *require* every American to purchase health insurance. Her proposal is fascism at its finest, utterly obliterating the propaganda that the U.S. possesses a free market economy.

Over the last few decades, the U.S. economy greatly curtailed its creation of real wealth. As a result, those at the top of the economic food chain have had little choice but to become predatory on the rest of us in order to maintain their lofty standard of living. What they have discovered is that they can utilize the force of government to extract tribute from the rest of us, and that's exactly what they are doing, with ever more brazenness.

Fascism is a symbiotic relationship between government and corporations. Government gains power

through laws, and legitimacy through the influence of corporations, especially media companies; corporations gain wealth by using the force of government to extract wealth from the public. Corporations can extract wealth directly, such as when the government forces us to buy automobile or health insurance, or they can extract wealth indirectly, such as when the government protects a corporation's monopoly over a market, allowing it to raise prices at will, without competition.

Look at any business sector in the U.S., such as banking. After decades of consolidation there are fewer banks and creditors for customers to choose from and fees are higher than ever. The same is true of the all these other sectors of the U.S. economy: energy, food, restaurants, retail, entertainment, communications, and health care. U.S. Government agencies, such as the FTC, FCC, and SEC are supposed to ensure that the U.S. remains a "free market." In the last few decades, however, these agencies have quietly turned into industry advocacy groups, thanks in part to the revolving door between government and corporate employment, which is why, for instance, the FCC is currently pushing to permit even *more* consolidation in the already heavily consolidated media sector. And just a few days ago, the second largest bank in the U.S. agreed to acquire the largest mortgage company in the U.S.:

Bank of America Corp., the biggest U.S. bank by market value, agreed to buy Countrywide Financial Corp. for about \$4 billion, taking over the largest mortgage lender during the worst housing slump in more than two decades. [149]

I doubt that the U.S. Government agencies responsible for regulating the banking industry will stand in the way of this huge new consolidation. The day may come in the U.S. when there is a single bank to "choose" from, a single media company, a single energy company, a single communications company, a single health care company, and a single food company. Such a system of commerce would be reminiscent of that which they had in the old Soviet Union.

*This work [in the book, *Changing Images of Man* [79]] has confirmed that our economy based on parasitic capitalism, where **the small elite sits atop the heap of men and gorges on their lifeblood**, is destroying the social fabric of America. [76]*

The authors of this book, *Changing Images of Man*, proposed to change mankind for the better through a traumatic process that would reshape civilization yet retain a centrally managed society, with the elites at the top. The only sustainable course for mankind is a decentralized, locally-focused, autarkic model. However, any model that doesn't direct wealth into the pockets of the elites is anathema to them and they will do everything in their power to maintain centralized authority, even if it results in the death of us all.

Explanation for Civilization's Nervous Breakdown

I began writing this essay with the hypothesis that the depravity around us is the predictable result of our society having permitted a critical mass of sociopaths to take over its leadership positions.

Behind the apparent insanity of contemporary history, is the actual insanity of psychopaths fighting to preserve their disproportionate power. And as that power grows ever-more-threatened, the psychopaths grow ever-more-desperate. We are witnessing the apotheosis of the overworld — the criminal syndicate or overlapping set of syndicates that lurks above ordinary society and law just as the underworld lurks below it. In 9/11 and the 9/11 wars, we are seeing the final desperate power-grab or “endgame” (Alex Jones) of brutal, cunning gangs of CIA drug-runners and President-killers; money-laundering international bankers and their hit-men, economic and otherwise; corrupt military contractors and gung-ho generals; corporate predators and their political enablers; brainwashers and mind-rapists euphemistically known as psy-ops experts and PR specialists — in short, the whole sick crew of certifiable psychopaths running our so-called civilization. And they are running scared. It was their terror of losing control that they projected onto the rest of us by blowing up the Twin Towers and inciting temporary psychopathic terror-rage in the American public. [123]

History has repeatedly shown that human nature, when combined with sufficient power, money, and time will inevitably produce the results that we suffer under today. The depravity we witness today is not chaotic; it is organized and purposeful. While the day to day dirty work is performed by clueless, petty sociopaths lusting for power in order to enhance their self esteem, the handful of elites at the top of the hierarchy know full well what they are doing. Their “new world order” is an unabashed attempt to enslave the rest of us. [121]

It turns out — and informed people should already know this — that the U.S. is essentially owned and managed by a small clique of wealthy families — the ones who own and control the Federal Reserve. The Rockefellers are the obvious and well-known members of this clique, but there are others less well-known, not all American, and some whose identity remains to this day a carefully guarded secret. We don't even know exactly who it is that's running the show.

...

Bush, who has probably never even read the PNAC agenda, was selected for entirely different reasons. Knowing that the agenda would be highly unpopular, the clique decided that defending it logically would be very difficult, even with complete control over the media. An articulate and intelligent President would look like a fool if he tried to defend the insane policies. So, our clique slyly figured, why not put someone up there who is obviously a fool, right through his whole little soul, so that the public will believe they are struggling against the foolishness of one man, and have no understanding of what's really going on. Of course Bush, being clueless on all matters apart from golf, looting, cocaine, and womanizing, would need to be kept far away from any role in running the White House. Hence the need for Cheney, the shadow real president, who leaves all the photo ops to Bush, who stays out of the public eye himself, and who carries the Black Armageddon Box with him everywhere he goes, something only official Presidents have done in the past. [131]

We, the people, are at fault for allowing these evil people to rise to power. We have been lazy and failed to educate ourselves about history and human nature. We have been too trusting and have failed to be vigilant or hold abusers accountable. Until we make an effort to reverse these failings, by educating ourselves and then encouraging others to do likewise, nothing will change. The evil people in power are certainly not going to willingly relinquish their grip on society.

But aside from the innate human lust for power and wealth, and aside from our failure to reign in such tendencies, there are additional possible causes for the mess we're in. Most of these issues pertain to the U.S., but some of them pertain to the world as a whole, and unfortunately, the U.S. way of doing things, particularly in business, is slowly spreading throughout the world.

Living Beyond Our Means

I think humanity collectively recognizes the unsustainability of our present way of life, but doesn't quite know how to react to that knowledge. People feel powerless to change the system, but at the same time feel trapped within it.

Clearly, a number of crises are welling up: peak oil, environmental devastation, overpopulation, non-energy resource depletion, and economic imbalance. People have tried to ignore these problems and keep on partying, but awareness of these problems cannot be suppressed indefinitely, especially when people start noticing their symptoms, such as soaring retail prices. Awareness lurks in the back of every person's mind. I think trying to ignore these issues and carry on, business as usual, has created enormous tension within the minds of individuals as well as within society itself. Instead of honestly acknowledging the problems we face and attempting to address them as rationally as we can, which would involve significant sacrifice, we have desperately sought to hold onto our "way of life," whatever that is.

As a result, we witness misguided, almost desperate behavior, such as the buying of oversize houses and hulking, gas-guzzling cars, and excessive spending on unnecessary consumer goods. It's as if grotesque overconsumption will disprove the frightening notion that we must change.

Substitution of Written Laws for Natural and Moral Laws and Common Sense

Morality and common sense have yielded to the written letter of the law, giving evil people an escape clause for their behavior. Such people can justify any behavior, no matter how immoral or illogical just by pointing to the law and saying, "See, it's perfectly legal." It's no coincidence that such people also write the laws! Where is the morality in a corporate executive – a modestly compensated one, at that – earning 1,000 times the salary of his subordinates? Does a corporate executive really produce 1,000 times the output of another worker? Immoral or not, such disparities in compensation are perfectly legal, and that's all that matters anymore.

In fact, to those at the very top of the hierarchy, even legality doesn't matter. Those people shrewdly calculate the probability of being *prosecuted* for their crimes, and weigh the penalty they will suffer if they are successfully prosecuted against the profit they will enjoy if they are not successfully prosecuted. The populace has accepted with resignation that the more money one has, the more justice one will likely receive. So even if elite offenders should find themselves facing prosecution, they can simply hire an army of attorneys to defend them, and more than likely will get off with a slap on the wrist, or at worst a small fine and a few months in a country club prison. Morality and ethics never enter into the picture. Ironically, the lowly masses have begun to learn that *they* can be prosecuted under the letter of the law even when they try to "do the right thing." For example, should one grab and scold a misbehaving child today, they can be prosecuted for child molestation!

There are so many laws on the books, covering every picayune detail of our behavior, that most of us are unaware that we frequently violate the law. That is, until the government decides to make an example of one of us and trots out all manner of obscure statutes. Consequently, people are less free to use their own judgment or common sense. They must instead consider whether their behavior might violate some written law, regardless of the morality or sensibility of their behavior. All these written laws have made life *easier* for evil people, who aren't the least bit troubled by issues of morality, ethics, or the harm they cause to others. Thanks to a vast body of written laws, evil people merely have to pore over the law books to determine whether they can legally get away with their behavior, no matter how vile. Decent people, who might be repulsed by the immoral behavior of evil people, find themselves powerless to react with proper outrage because the repulsive behavior is technically legal.

Jackpot Mentality Versus the Work Ethic

What made the U.S. a great country and gave it a robust and vibrant economy was a deeply ingrained work ethic, part of a broader strong moral code. That work ethic has given way to a jackpot mentality, which begets cheating, fraud, and opportunistic behavior, such as gold-digging lawsuits.

Becoming a corporate executive today is a license to commit larceny, to strip a company bare and aggrandize one's own bank account in the process, all nice and legal, of course, so long as the shareholders also profit. Heaven help the rapacious executive who leaves the shareholders holding the

bag.

Professional athletes “play” their games not for fun, but to secure a jackpot contract, which today can exceed \$200 million. These athletes have no loyalty to their team, locale, or fans – they work for the highest bidder. The greediest among them seek to elevate their own salaries even at the expense of their teammates.

The riches flowing through corporate executive suites and sports clubhouses have not gone unnoticed by the masses: they want their own jackpots too. Hence the proliferation of government-run lotteries, which are effectively regressive, voluntary tax systems. In exceedingly rare cases, these lotteries pay out a jackpot of \$100 million or more, which is just sufficient to keep the masses placated and interested. There is also the mushrooming growth of private casinos throughout the nation. Then there are the “talent” shows on TV, on which “contestants” grovel before a bench of “judges” comprised of drunks and assholes who humiliate the contestants, while 20 million viewers watch the spectacle, chuckling with schadenfreude, all for a minuscule shot at fame and fortune. Of course, the producers of these talent shows enjoy their own jackpot, shoveling tens of millions of dollars annually into their pockets.

None of this jackpot prosperity is contributing to the nation’s financial well being or future wealth. The much maligned robber barons of yesteryear, while becoming fabulously wealthy, at least left the nation a legacy of steel mills, railroads, and factories, which enabled the nation to prosper for decades afterward. What legacy will today’s corporate executives, sports celebrities, lotter winners, and talent show winners leave behind? Today’s corporate executives don’t build anything, except for unnecessary shopping malls, which will probably become tomorrow’s white elephants. In contrast to the wealth-building enterprises of yesterday, most major corporations in the U.S. are being slowly dismantled: facilities are shuttered, workers are laid off, assets are sold. Ford, GM, and Chrysler are on course to disappear within a decade or two, except perhaps as a brand name. Executives are richly compensated for *dismantling* their corporations here in America if it temporarily increases the corporation’s profits.

What Can We Do To Solve The Mess We're In?

Realistically, I'm afraid there's little we can do. The people in control, the ones causing all these problems, possess all the power and all the wealth, and they are simply uninterested in solving the problems, for the simple reason that they benefit from maintaining the status quo. That should come as no surprise. After all, these people have labored for decades, if not centuries, to dominate the power structure, and once in place, they've steadily crafted the laws to their benefit.

At this point, the political system is so corrupt, so hopelessly broken, and the problems so intractable that I don't think a little tweaking around the edges, such as electing the "right" president in the upcoming U.S. election, will make any difference. The entire system needs to be scrapped and rebuilt from scratch. Obviously, those in power won't submit to such radical changes, but the finite limitations of the planet will impose them on us anyway. When declining oil supplies start disrupting our transportation, electricity, and communication systems, start impeding the flow of workers to their jobs, render the sprawling suburban model of communities untenable, the system will start to break down. Throw in a little economic collapse, severe water shortages here and there, soaring food prices caused by drought, overexploitation of the seas, overpopulation of the land, and misdirection of crop yields to idiotic initiatives such as biofuels, and people will really start to get spooked. Suddenly, people will start thinking about basic survival, something people in the affluent developed countries haven't had to think about for decades. Once this happens, the existing system will really start to break down and new systems – hopefully, many disbursed and innovative ones – will begin to emerge. Of course, the present power structure – governments, corporations, universities, and political organizations – will fight like hell to prevent these changes. The thing we have to fear most is not the adjustment to a new way of living, but the people who will fight to preserve the old way of living for themselves.

I've painted a grim picture, but I don't consider the picture I've painted to be alarmist at all. In fact, things could be a great deal more horrific if we add wars and diseases to the picture. Oddly enough, though, I find hope in the belief that the present system cannot be sustained. While we may suffer a few decades of struggle and chaos, the new systems that arise after all that turmoil may be a great improvement over our present system.

If we lived in a more perfect world in which we could fix the system by making a few sensible adjustments for the benefit of the common good, here are a few changes – presented in no particular order – that I think would help. This list applies almost exclusively to the U.S., but we have to start somewhere. Although I genuinely feel that it's too late to fix the system by working within it, we don't have anything to lose by trying to fix it anyway. Who knows, we might get lucky and manage get our failed system back on the right course. The alternative is to simply wait for the unpalatable status quo to collapse, followed by some kind of unpleasant societal upheaval.

Eliminate Most Laws

I would get rid of most of the laws on the books and attach a sunset clause to every law, so that every law expires in ten years. In fact, I would pursue a Constitutional amendment requiring just such a sunset clause on every law. Any important laws will be easily renewed by legislatures, and since they will be busy sorting out which laws to renew they won't have much time to create too many new laws.

Constantly having to renew laws would keep them up to date, appropriate for contemporary needs.

Most importantly, though, eliminating the vast majority of laws will proportionately increase citizens' freedom. Obviously, laws are a constraint on freedom. Therefore, the more laws a society has, the less freedom it has. Eliminating so many laws and regulations will restore economic vitality to the U.S. Elimination of laws will permit people to once again use their own judgment and morals, to think for themselves instead of being obedient, easily manipulated robots.

Restore The Constitution

I would restore the preeminence of the Constitution as the highest law of the land. Obviously, teaching children about the Constitution is of paramount importance. The federal government requires major amputation to reduce its functions to those specifically authorized by the Constitution. The federal government has no Constitutional authority to be involved in health care, education, retirement, environmental affairs.

We absolutely need to close all of our 700+ military bases on foreign soil. They are a considerable drain on the nation's finances and a source of animosity toward the U.S. Closing the bases and ceasing to meddle in the affairs of other countries will virtually eliminate the threat of terrorism against the U.S. while saving money in the process.

A smaller federal government will likely mean lower taxes and thus a higher after tax income for people. It's doubtful that local governments would need to increase taxes much in order to provide the services formerly provided by the federal government because much of our tax money is simply lost as it filters through the vast bureaucracy of the federal government. The smaller the government, the more efficiently our taxes will be utilized. In addition, restoring responsibility for government services to local governments will restore the voice of the people in the collection and administration of tax revenue. Currently, Washington dictates the collection and spending of tax revenue, and we little people have no voice. Our "representatives" in Congress don't count at all.

As for how to deal with problems with the environment, the economy, and health care, and such, my attitude is that relying on a central government is the poorest way to address these problems. First of all, it's rather inefficient to send tax money all the way to the federal government and then have it trickle back to us, perhaps in ways that aren't even appropriate. It's much better for a locality to raise the money it needs locally and address problems in the manner most suitable for that locality. Generally, the blanket solutions that central governments offer don't work for everybody. What I'm saying is that each locality understands its problems and knows best how to deal with them. In addition, when lots of different groups of people work to solve similar problems, it tends to produce more innovation than when a single group (i.e. the federal government) tries to solve the same problems.

End "Personhood" For Corporations

In 1886, in the case of *Santa Clara County v. Southern Pacific Railroad* [138], the Supreme Court ruled that corporations are "people" and hence enjoy the full protection that the Constitution guarantees for people, including free speech. Combine that with the Supreme Court's 1976 opinion that campaign

contributions and expenditures constitute free speech [139] and you can see the problem. Corporations (“people”) have lots of money to contribute to politicians’ campaigns. Look at the bankruptcy law of 2005. The banking industry lavished money on politicians for a decade before finally getting that law – which the banking industry largely wrote itself – passed. Imagine if our politicians didn’t have to prostitute themselves to obtain campaign contributions, that they only had to serve the voters. Would they have passed that bankruptcy law? I seriously doubt it.

The Senate approved a measure yesterday backed by the credit card industry that would make it harder for people to wipe out debt through bankruptcy, setting a path for quick passage of the bill by the House within weeks.

...

The banking, credit card and retail industries, which have pushed for the legislation for more than seven years, argue that changes to current law are needed to end abuse of the system by people who shirk their financial obligations when they could repay some of what they owe.

The three industries gave more than \$56 million to political parties and candidates in the 2004 elections, most of it going to Republicans, according to the Center for Responsive Politics, a nonpartisan nonprofit research group that tracks political contributions. For example, more than 60 percent of a combined \$44 million in political contributions by banks and retailers went to Republicans. [140]

Publicly Finance Political Campaigns

Political campaigns need to be financed with public funds only, and this ought to be codified in another Constitutional amendment, if for no other reason than to neutralize once and for all the Supreme Court’s opinion on the matter. I generally feel that people should be able to spend their money however they wish, even on promoting a candidate running for office. I understand that the Supreme Court has equated campaign contributions with free speech. I sort of agree. Nevertheless, it’s obvious that a person who has more money has more free speech, which doesn’t seem fair. But more importantly, one has only to look at the immense damage that has been caused to our political process by private campaign contributions to see the folly in it. Regardless of all valid arguments to the contrary, I think we absolutely have to make an exception in this case and ban all private funding of political campaigns. We have to do this to restore the legitimacy of our *representative* system of government. Presently, we the people are not represented. Our representatives, in truth, represent their campaign donors, who are the wealthy individuals, vested interest groups, and corporations.

Mandatory Testing of Political Aspirants For Psychological Fitness

Human history is littered with example after example of psychopaths clawing their way to positions of power, exploiting those positions for the aggrandizement of themselves and their cronies, until eventually, inevitably, systemic collapse and ruin ensue, often accompanied by a revolution by the masses who have had their fill of abuse and subjugation.

After reading *Political Ponerology (A Science on the Nature of Evil Adjusted for Political Purposes)* by Andrzej M. Lobaczewski, a reference to which inspired this essay, it's obvious to me that in order to bring an end to this eternal human tragedy, something radically different needs to be done. Whatever we've been doing hasn't worked because once again we find ourselves at the precipice of ruin, thanks to the machinations of psychopaths.

I would demand that *every* person seeking political office, no matter how insignificant the office, and every person seeking to work in the government bureaucracy be tested for psychological fitness. The specific goal of such testing would be to prohibit psychopaths from getting into positions of power, where they can cause great harm to society. Such a proposal is probably abhorrent to most people, but that's only because most people assume that everybody else is like them, basically decent. That simply is not true. We need to face the facts and acknowledge that roughly 5% of human beings are distinctly different from the rest of us and must be disqualified from positions where they can harm society.

Eliminate The Federal Reserve

I would eliminate the Federal Reserve and restore making powers to the government. The federal government is authorized by the Constitution to create money. Yet it chooses to let the Federal Reserve create money, which the federal government then borrows. Yet borrowing money to finance the government is not the same as creating money because borrowed money accrues interest, which becomes another expense for the government. If the government simply created the money itself, it wouldn't have to pay \$400+ billion in interest expense each year.

As the central bank of the United States, the Federal Reserve's mission is to provide the nation with a safer, more flexible, and more stable monetary and financial system. [157]

Considering that the nation has suffered a Great Depression, at least half a dozen recessions, and by some estimates has seen its currency lose 95% of its value during the tenure of the Federal Reserve, I'd say it has failed to uphold its self-proclaimed mandate. Today we're looking into the abyss of yet another financial crisis, due in large part to the management of the financial system by the Federal Reserve:

As rebukes go in the close-knit world of central banking, few hurt as much as the scathing indictment of US Federal Reserve policy by Professor Anna Schwartz.

*The high priestess of US monetarism - a revered figure at the Fed - says **the central bank is itself the chief cause of the credit bubble, and now seems stunned as the consequences of its own actions engulf the financial system.** "The new group at the Fed is not equal to the problem that faces it," she says, daring to utter a thought that fellow critics mostly utter sotto voce.*

*"They need to speak frankly to the market and acknowledge how bad the problems are, and acknowledge their own failures in letting this happen. This is what is needed to restore confidence," she told The Sunday Telegraph. **"There never would have been a sub-prime mortgage crisis if the Fed had been alert.** This is something Alan Greenspan must answer for," she says. [151]*

Eliminate The Electoral College

I would seek the passage of yet another Constitutional amendment to eliminate the Electoral College. We have the technology today to conduct a popular vote, even in a country as geographically large and populous as the U.S. Political representation for less populous states is already guaranteed by each state having two senators, regardless of the state's population. While the Electoral College may have been a good idea at one time, today it creates confusion and undermines the trustworthiness of elections, such as when the allocation of electoral votes doesn't concur with the popular vote.

There are encouraging signs that the Electoral College can be rendered moot at the grass roots level, even without a Constitutional amendment. An initiative called the National Popular Vote (NPV) has already been passed into law in the state of Maryland:

How NPV works is this: Instead of a state awarding its electors to the top vote-getter in that state's winner-take-all presidential election, the state would give its electoral votes to the winner of the national popular vote. [103]

NPV is simple, elegant, constitutional, and renders the Electoral College moot. What's more, the people of each state can voluntarily choose to adopt the plan or not.

As good as this proposal is, though, I think there's an even fairer way to distribute electoral votes, which is to distribute the electoral votes in equal proportion to the popular vote in each state. For

example, if a candidate received 30% of the popular vote in a state, then 30% of that state's electoral votes would be cast for that candidate. If adopted nationally, this approach would accomplish the same thing as the NPV approach, but it's simpler to implement because each state need only examine its own popular vote in order to allocate its electoral votes.

Improve Election Integrity And Ease

We need to get rid of any voting system that doesn't have a permanent, verifiable record. It's utterly unbelievable that we use electronic voting machines that permit the results to be changed *without any indication!* As timely proof of the need for permanent voting records, consider the recent New Hampshire presidential primary election, in which Hillary Clinton "won" when the votes were counted electronically. But when the ballots were counted by hand, vote totals for all the other candidates increased.

*In an analysis of the hand-counted ballots, the influential Milanese newspaper — Il Giornale, reports that all Democratic candidates **except Senator Hillary Clinton** made gains when the New Hampshire ballots were manually tabulated, while **Senator Clinton made inexplicably large gains** where ballots were tabulated by computerized scanners. [159]*

I would conduct elections over a period of one week to give everybody ample time to vote. It's quite clear that the constrained time to vote that we offer today has been exploited to make voting difficult for some people. For example, if the polling place is only open for 12 hours but there are 14 hours' worth of voters expected, clearly some are not going to be able to vote. I would broaden the number of venues in which one could vote, and especially permit voting via the Internet. That change would enable people to vote from home. Those that don't have computers or homes could go to libraries and temporary polling places and use the computers there. In addition, I would design such an Internet voting scheme to print out a permanent record of the voter's choices which included a unique identifier that could be used at any time to review the voter's choices and make sure that they were not tampered with. Of course, there are many more security details than this to work out, such as ensuring that only legitimate voters vote and that they vote only once, but the idea is to provide a hard copy record of each person's vote that *they* can verify themselves anytime they wish.

I think the election results should be publicly available as they are accumulated. In other words, people should be able to visit a web site during the course of the week-long election and see how many votes have been cast for each politician and proposition. Again, the objective is to provide maximum transparency to the election process. I seriously doubt that posting the election results in real-time will significantly alter the outcome.

Everyone's always decrying the poor participation rate in elections. These changes would probably increase participation, for better or worse.

Limit All Political Offices To A Single Term

All political offices should be limited to a single term, and no person should ever be allowed to hold the same office more than once. People would probably object that a high turnover rate in legislatures would create chaos. But would that be any worse than the ossified and corrupt political system we have today? At least such a high turnover would constantly inject fresh ideas into legislative chambers. It would greatly reduce opportunities for corruption since the politicians would be in office so briefly. And I think it would restore the notion of “representation” to our political offices. Today, our rich, elite, career politicians are hardly representative of us. Allowing greater participation by the “masses,” aided by the public financing of campaigns, would make our representatives more representative of us ordinary people. We can overlap legislative terms, like we do now, to help maintain some continuity between outgoing and incoming legislators.

Restore Industry And Agriculture

I would seek to restore industrial production and agriculture, but on a small, local, sustainable scale, which would bring back meaningful jobs for people. Large scale domestic industry and agriculture increases productivity, but what exactly does that mean? It means *fewer* people employed to produce the same output. That is not necessarily a good thing when it results in people being unemployed. We’ve been incessantly bludgeoned with the mantra that whatever results in higher profits for corporations is a good thing. Increased productivity does that, so it’s been sought and praised for decades. But look at the result: massive unemployment that’s not registered in the “official” employment statistics.

Obviously we need to end agricultural subsidies, which are mainly a gravy train for giant corporations. More perniciously, however, agricultural subsidies distort the production of crops in ways that may not make sense. For instance, subsidies sometimes result in the growing of certain crops where it’s inappropriate to do so. Subsidies appear to have made the ingredients in junk food cheaper than wholesome fruits and vegetables, undermining the nation’s health.

We definitely need to halt the patenting of life forms. Not only does it seem fundamentally “wrong,” it encourages truly evil developments, such as crops that require pesticides to survive or crops whose seeds won’t grow.

Reduce Fossil Energy Consumption

We *must* reduce consumption of fossil energy, particularly oil. If we don’t do so voluntarily, nature will do it for us. Acquisition of fossil energy has become an increasing source of tension between nations. Reducing competition for fossil energy will deescalate those tensions.

The manner in which we reduce our consumption of fossil energy should follow two paths: increased energy efficiency, and development of alternative energy sources. Oddly enough, this is the very same prescription proposed by President Carter three decades ago. Too bad we didn’t listen to him.

Ideally, houses should be entirely energy self-sufficient, through solar space heating, solar water

heating, solar electricity production, wind power, and geothermal space heating and cooling. In addition to eliminating or reducing fossil energy consumption, energy self-sufficient houses are independent of the electricity and natural gas grids, meaning that such houses will still have electricity, warmth, and hot water even should those complex fossil energy delivery systems break down.

Every effort should be made to improve the energy efficiency of cars and trucks. It astonishes me that with all of our sophisticated science we've not managed to significantly improve the efficiency of those vehicles in a century. I'm convinced that the reason why vehicle efficiency has not improved has to do with maintaining oil company profits. The best way to reduce vehicular energy consumption is by simply using vehicles less. Working at home is an ideal way to dramatically cut gasoline consumption. We have the technology today to enable large numbers of people to work at home. If the government wants to make a positive contribution to the solution, it ought to encourage companies to support this idea of people working at home. We transport tremendous quantities of goods by truck in America. Many of those goods are manufactured overseas and enter the U.S. via one of its coastal ports. From there the goods are distributed by rail, but mostly by truck, throughout the country. Goods that are manufactured in the U.S. are done so in relatively few large factories and, again, the output has to be trucked throughout the nation. Encouraging the reformation of small, local factories will greatly reduce the distances that goods have to travel, while once again providing satisfying, well-paying jobs for local people. Very small scale manufacturing, such as furniture making, could be done at home, further increasing energy efficiency while fostering a renaissance in useful trades and restoring a sense of self-efficacy to the people.

Conclusion

We in the U.S. live under the illusion of freedom, which has been carefully crafted by those in power to placate us. Are we really free when we enslave ourselves to a lender for thirty years, just to have a roof over our heads? When we have to ask the government for permission to alter our house or use our land for some purpose? When we have to ask the government to return the excess income tax it deducted from our paychecks? When we have to obtain the government's permission to board an airplane, drive a car, or open a bank account? When we have to prove to the government that we purchased insurance for our car or our health? When we have to wear a seatbelt, a motorcycle helmet, or a bicycle helmet or be fined? When we have to prove to the government that the property it just confiscated from us was not "ill gotten"? When we have to send our children to the government's indoctrinating schools or be punished like a criminal? When we have to vaccinate our children with government-mandated drugs? When we are prohibited from using drugs the government and the corporations disfavor? When we have to worry about what we say on the telephone, write in an e-mail, or check out from the library? When the Constitution is no longer the highest law in the land, virtually all of its principles having been undermined with unconstitutional laws, presidential signing statements, and executive orders? When elections are really diversionary theatre, our votes irrelevant because the outcome has been decided in advance?

The elites in power have carefully fabricated this illusion of freedom and egalitarianism, knowing that few of us have the courage to see the world as it really is, and even fewer of us have the courage to try to change the system. Ironically, lowly citizens, instead of abhorring the behavior of the elites, mimic them, at least to the extent permitted by the elites!

The elites know that the rules imposed on all of "us" do not apply to "them." They are above the law, unless they displease one of their own who happens to be more powerful. The elites feed on us, ruthlessness, deception, propaganda, psychology, and if need be, brute force being their utensils. They have attained an unprecedented degree of power around the globe and are systematically turning the planet into a playground paradise for themselves and an oppressive prison for the rest of us.

To call our world "civilized" is a cruel deceit. There was a window of time, perhaps between World War II and the 1970s, when the future looked increasingly promising. But then atavistic reaction by the elites, dwindling planetary resources, and overpopulation conspired to dash any hope of achieving utopia anytime soon. The forces of evil, under the direction of the elites, have won for the time being and have successfully taken over civilization's most important institutions. The conflicting agendas of these ever more powerful, self-serving agents partly explains the increasing tension, volatility, anxiety, and inability to cope with problems that we see around us. The recently introduced consumer electronics gadget that combines a taser with an MP3 player [145] is a good metaphor for our "civilization" today, underscoring the tension between the forces of control and commerce.

There are small pockets of genuine civilization around the world and hopefully they will one day serve as role models for the rest of us. Unfortunately, I think we're going to have to reach rock bottom before we can draw inspiration from these role models while we attempt to build genuine civilizations. Although it may not sound like it, I'm actually optimistic about the future. People are becoming aware

– for the umpteenth time – of the danger of giving other people unchecked power. More importantly, planet Earth is imposing its own finite limitations on us. Our survival will depend on returning to a sustainable way of living, which precludes centralized, force-based management of society in favor of decentralized, autonomous organization. Freedom and creativity will flourish again; self-efficacy will return; cooperation and community will replace today’s intergroup antagonism and competition; planet Earth will become a garden of eden again, cherished instead of exploited and despoiled; and perhaps our species will finally arrive at a permanent plateau of wisdom.

January 17, 2008

[The Cerebral Aesthetic Vagabond](#)

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Year End	National Debt (\$ Billion)	Increase (\$ Billion)	President (End of term)
1940	50.7		
1950	256.9		
1960	290.5		
1970	380.9		
1980	909.0		
1981	994.8		Carter
1989	2,867.8	1,873.0	Reagan
1993	4,351.0	1,483.2	Bush I
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House Cost Item	Percent of Purchase Price per Year	House Price / Income Ratio	Percent of Income Spent on House
Principal and Interest (20% downpayment, 6% for 30 years)	5.76%	1	7.2%
Property Taxes (estimate)	1.25%	2	14.4%
Insurance (estimate)	0.20%	3	21.6%
Total	7.21%	4	28.8%
		5	36.1%
		6	43.3%

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Revisions

1. March 4, 2008; Corrected spelling of Falun Gong on page 38. Reformatted tables on page 79 and page 85.

2. May 25, 2008; Added another remedy on page 68.