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Our Republic—Traded For Fascism

The United States is a fascist nation—more-so with each presidential administration. *Privatization* (handmaiden of fascism), a confluence of government/corporatism, destroyed the republic. But what caused privatization?

The political turmoil upon us has its roots in economic causes. You can point to Nixon ending the gold standard in 1971, but we need to look further back, to what our founders gave us—*industrial capitalism*. Over a span of decades, we traded industrial capitalism for *clean hands, financial capitalization*—the economic model that now pervades our economy.

As with bitcoin (nothing but a virtual algorithm), *financial capitalization* is nothing more than virtual *paper-pushing*—to exact fees. And anything that gets in the way of financial rent-seeking privatization, of anything and everything, is accused of being an autocracy, restricting the liberty of those seeking rent-control over all things, both public and private.

One morning in the early 1970s, I walked across fields of cactus, up from the ocean, to the Huntington Beach train station. Like so many small towns, ours was a spur off the main line—the end of the line. *Privatization* was in style. Everyone had a car, public transportation was no longer needed, so a wrecking ball took the station. Then they tore up the tracks (that became 7 miles of townhouses)—with train tracks never to return.

Americans won't understand when we run out of dollars that have no value. Unlike most of the world, the US chose to exact fees for Pharma and education. Pensions were assigned to corporations (now desperately trying to pass them off to willing buyers). When pensions plans fail, leaving those who worked a lifetime for nothing—no one will be blamed.

Giving over dollar-creation to the Fed, and closing the gold window, resulted in government corporatism (fascism), releasing greed—across the land. With wealth coming from exacting fees for services, hourly production labor no longer drove the economy. Elites saw labor as a torn in their side.

As a result of greed, there will soon be no funding for Medicare. With the highest medical costs in the world (20% GDP), American poor/elderly will compete with homeless for sidewalk space. Medicare/Social Security, likely replaced by funds invested in US paper—in the end will prove worthless.

Because financial capitalists care nothing for Americans who have nothing but Social Security, they won't do the obvious fix. Now, only the 1st \$160K of income pays into SS. And, the rich pay nothing from capital gains or interest income. If a percentage of all of the above went to SS, the fund would last generations—but that's socialism, right?

If this seems complicated, it's not. Successful societies are a mix of industrial capitalism and socialism—socialism having to do with those things best administered by government for benefit of citizens. But, along the way, the West was sold a bill of goods, persuading us that everything is made better through privatization. But, is that true?

Somewhere, across the sea, our British ancestors adopted social programs to be run by government for benefit of citizens. British Railways and the NHS (National Health Service), served Brits well, decade after decade. Then under the banner of privatization (to reduce government inefficiency),

public services transferred into private hands. As a result, British Railways, NHS, have, through privatization, been degraded beyond recognition.

The fees exacted by financiers is termed *rentier* income—unproductive income where one earns money in one's sleep. I'm not against rentiers as such (I am one), but privatization fails to consider human greed. Privatize what? Water? Sell our water to Dubai? Give it over to Romney/*Bain Capital*—to profit by selling-off a company's parts?

All forms of government are problematic. Industrial capitalism (with no adult in the room), found itself, at oligarch behest, becoming monopolies, where *captains of industry* were renamed *robber barons* when concern for labor ceased to exist. Now, government, inured to an idea that monopolies are necessary for the US to compete—no longer regulates them.

Back in the day when Henry Ford was seen as an enemy of labor, that condition had a remedy. Labor formed unions and fought back, demanding fair treatment. For a time that made for equilibrium, but only until unions became as corrupt as the elites. Absolute power corrupts—absolutely. And now our elites (unfortunately), have become the masters of high-tech.

The perennial struggle is between the little guy and oligarchs—that's a given. But it's a new and different paradigm when the little guy (feeling helpless), is bewildered as to who's pulling the levers—and there seems no way to fight back. All we know is last year's fees for our existence are higher this year. Other than paying—there's no recourse.

Small government provided opportunity for industrial capitalism with a modicum of socialism (subsistence to stay alive). Let the government build and maintain postal roads, paid for from taxes—providing roads and jobs. That got lost in financial capitalism—wherein there is nothing for the poor they haven't paid into. In the past, churches helped the poor/elderly, but an

elite goal to eliminate faith in God—cut into charity.

How's that 3rd world public transportation working for you? We had no need for public transportation when anyone who could fog a mirror qualified for an auto loan (see the USA in your Chevrolet). Not so much any more. Instead we are left with rising gas prices (you don't think so—just wait awhile), expensive electric cars that we don't want, and expensive, gas models, replete with gadgets to fail over time—maybe not fixable?

It's all going down—Social Security/Medicare. Then we will truly be own our own. There's an axiomatic theory that great economies prosper because of a mix of industrial capitalism and socialism. As a long-term, self serving capitalist (who's done well for *never having had a boss*), I'm probably the right guy to pen this article—given that my colleagues, who, uttering the word *socialism*, only do so as an apoplectic invective.

If I sound like a socialist, I'm not, but somebody has to make this case. When I was a blue-collar democrat, we viewed the right as predatory, who viewed empathy as a weakness. We weren't far wrong, but what we didn't know was soon there would be no liberal democrats who were fiscally conservative. Instead the left was to become it's own horror show.

Much of my life was spent on boards of directors, with people I hoped to never see again. But, with a view to public good—they did some good.

We've woken up in a fascist nightmare, with a plot and cast of characters for which I see no easy remedy. I want to keep on with this subject, with a view to the characters playing the parts. Until then—don't sell your silver.

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