

Wall Street and Silicon Valley

Thanks for forwarding the Polanyi PDF. As he shows in the lectures and in his book, government needs to put clamps on the free-market economy if it hopes to serve citizens rather than Ponzi scheme insiders.

Britain is a special case. In 1066 William The Conqueror confiscated all the land holdings and gave the titles to his cronies. The land grab was aided and abetted by the Catholic church. Even today, 99% of the real estate is owned by less than 1% of the population. Oddly, it gave Britain a head start on the industrial revolution since the only path the peasants could follow led to the industrial maw. Britain always had an eager workforce willing to labor in the coal mines and factories.

I've debated online the cause of Marx and Polanyi. But complex economic arguments don't cut it with the "Make America Great Again" crowd. It's all too easy to see the economy as an isolated phenomenon and totally divorced from citizen health and environmental concerns.

People have been duped into seeing economic data like football stats: rushing yards, passing yards, fumbles, interceptions, special teams' yards. One glance will usually tell you who won the game. And that's my point. Economics is treated as a game. But profit margins don't say anything about microplastic in sea water, flaming faucets, toxic waste dumps, leaking slag pools or the countless hospitalized casualties of fabulous economic growth. (Dupont is moving its toxic Teflon factory to China. I wonder if Trump will try to get the monstrosity back. LOL)

It all boils down to trust, which governments have absolutely none. If citizens trusted in governments, we wouldn't have Trump throwing paper towels at Puerto Rico's survivors; we wouldn't have Brexit or lethal demonstrations against refugees.

Democrats are no better than Republicans. In fact they're worse since they have the gall to tell you their programs will make things better. Basic Income when it arrives will simply mimic the Roman solution of Bread & Games. The media and sports franchises already

give us the Games. Basic Income will furnish the Bread. Meanwhile the elites will be free to pursue their power games with the tacit approval of the docile masses who will be too busy munching corn chips to bother. "Make America Great Again!"

So long as the economy is analyzed in isolation, Polanyi's arguments can be refuted for being bad for prosperity and malign drags on progress. I know I worked at a job where I had to constantly balance two incentives. On one hand, I provided a service to the public. On the other hand, I had to compete with other cab drivers to retain my job and its assorted perks. I was my own accountant, since I wrote up a record of what fares I transported during my 12-hour shift. There was always a dilemma: How much good will could I expend on my customers without angering my bosses.

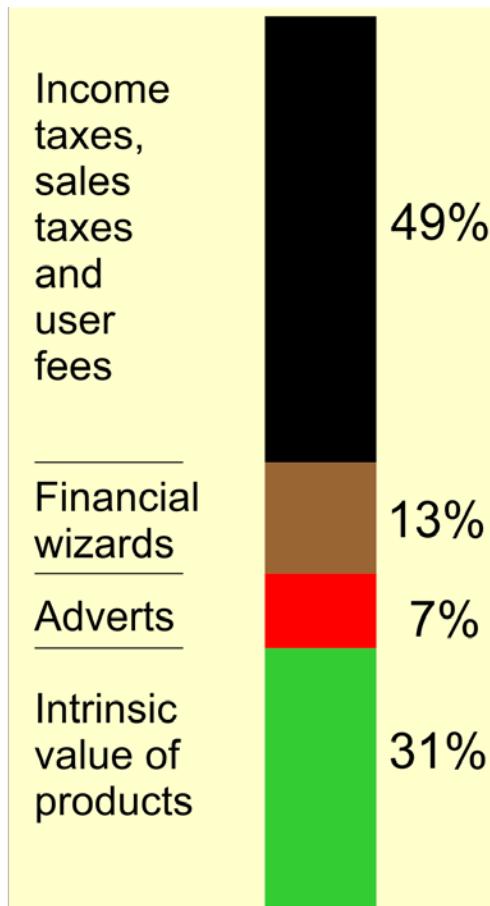
You see what I'm getting at? Corporations can hire ten-thousand Dogberts to advise them at becoming benevolent corporate citizens. They can sponsor ten-thousand charity events. But bighearted corps can't bleed red ink. A fine corporate citizen is good for no one if it goes bankrupt.

The bottom line in the Capitalist milieu is DOG EAT DOG. There is no way to get around that. You can enact all kinds of controls to contain the economic bad guys, but they will use new technologies to circumvent the controls. Every time, all the time.

I thought I'd hit on the perfect analogy when I broke a citizen's spendable income into where it really goes. About 49% goes to taxes and user fees. 13% goes to financial overhead: investment bankers, spin-doctors, lenders, retainers etc. 7% goes to advertisers and networkers. Which leaves 31% of spendable income that can be spent on usable products. (NOTE: You can't use the adverts that Apple has spent on your iPhone.) These are the hidden siphons that suck money out of the real economy. In other words, Capitalism is as efficient as a tycoon burning \$100 bills to light his cigars.

If you eliminate advertisers and financial wizards, you'll have oodles of extra money (20% of all circulating currencies) to improve

infrastructures and publish the info that governments are obligated to deliver. But no one believes this gigantic windfall will ever happen. And if it does, no one trusts governments to do their part. Sadly, history shows this skepticism is NOT far off the mark.



Folks would rather believe in the next generation of Ponzi schemes that Wall Street and Silicon Valley will no doubt cook up for us.