

BLUE COLLAR FIREWALL ECONOMICS  
POLITICAL LITERACY FOR DEMOCRATS  
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## DEDICATION

This book is dedicated to my daughter, Mary Shareen. She is 12 and reaching the stage where kids start forming a political identity. She is one sharp young lady and already has the values of a social worker. The subject of what political issues go on the left versus the right is not well taught in school. It never happens in high school, and that screens out the working class. In college, it is not required for most majors. Most Americans never get it unless they are motivated to find the information and know what to look for. Too many voters simply consume ready made propaganda feeds from biased commercial channels that intentionally confuse the left and the right. Most publishers are controlled by wealthy republicans that live in fear of well informed voters. They can censor the news to avoid the main issues and confuse the public. I do not work for anyone. I can not be censored. My publisher is me.

## INTRODUCTION

You can not avoid politics anymore than you can avoid money because money is political. The US went off the gold standard in the 1960's. Dollars are now called Fiat Dollars because they can no longer be exchanged for a dollar's worth of gold. They are now, by definition, backed by faith alone. But even gold backed dollars were only backed by faith.

Dollars have always been the same. Even if you had a dollar's worth of gold, politics could change the value of that dollar at any time. You had faith that the government and/or the bankers would not do that, but political power brokers eventually did it anyway. Here comes my thick sounding definition of money. I'll break it down into English after I drop it on the table. Whack!

**DOLLARS ARE UNITS OF QUANTIFIABLE POLITICAL CREDIT, STORED IN A COMPUTER, AND BACKED BY LAW. THEY ARE SOCIOPOLITICAL IOUs.**

DOLLARS ARE UNITS OF *QUANTIFIABLE* (You can count them easily, add them, subtract them, as opposed to a favor you do for a friend, you know exactly what the favor/credit is worth in return/dollars)

Before there was money, we lived in tribes with some sort of chief who held political power. He had a big job. He kept track of who deserved to get more or less when it was time to distribute the food. He remembered that Fred put a lot of work into making spears for the hunt. He remembered how Sam usually had something else to do when it was time to gather nuts. He could not calculate exactly how much each man deserved in return, but he tried. Fred got more than Sam, but how much more was difficult to figure out because social favors are not easily quantified. (Counted)

Barter came before money. We traded pigs for chickens. We got coins because they were easy to carry, easier to count, compare values, and calculate exchanges. You can't get change for a chicken. You can see how the

chief's evaluations of who deserved what were political. **But did the invention of money take the politics out of the process of deciding who gets what and for doing what? No.** The process is more complex now, but it's still all about political competition. **Money IS politics.** This is the hypothesis that I will be defending in this book.

*POLITICAL CREDIT*, (Credits/dollars are political because who gets them, and for doing what, is determined by politics) Why do we pay doctors more than teachers? There are legal reasons to start with, and legislation is political. Doctors need a lot of education and training because we have a law that requires that. It's a good law, but it's still politics.

What about workers who are not in a profession? Burger flippers get minimum wage, and not less, because of a law. Two guys in the wilderness, one man buying, and the other man selling him an old truck, are covered by contract law. There is no money without law, and the law is political.

*STORED IN A COMPUTER*, (Not much cash anymore, and all the records are in computers owned and controlled by the banks)

*BACKED BY LAW*, (Explained above) And, if you have a different idea about how much you are entitled to or what you can buy with it, the bank can send the police to help you do the math again.

*SOCIOPOLITICAL*, (Caused/explained by social and political factors) What wages we make and what we can buy with our pay is determined by politics, not by who is the most productive, intelligent, hard working, etc, and definitely not by the law of supply and demand in some sterile vacuum. The US is not a meritocracy. It's not really a true democracy either, but we are getting more and more democracy as we mature, and democracy is political.

Money IS political. It's not partly political, or even mostly political. Political in this sense means completely political. Partly political in this sense would be like being partly pregnant. The entire monetary system is maintained by political power alone, and not by any so called natural economic laws like the law of supply and demand. (It's OK to pause now, go downtown, and register to vote)

*IOUs*, (The credits in the bank computer are like favors that can be called in when we need to buy something or settle a debt. But unlike primitive or casual social favors, they are counted exactly, and are backed up by law. **The numbers in the computer are your political scorecard.** They are juice, pull, power. We can not trace every worker's balance sheet back to the specific political acts that determined it, but I will say this: The original wealth of this country came from land speculation, furs, and slavery. None of these rackets are possible without buying politicians.

The invention of money did not take the politics out of deciding who gets what and for doing what. It just made the calculations easier and more exact.

DOLLARS ARE UNITS OF QUANTIFIABLE POLITICAL CREDIT, STORED IN A COMPUTER, AND BACKED BY LAW. THEY ARE SOCIOPOLITICAL IOUs.

ALL FINANCIAL TRANSACTIONS ARE POLITICAL TRANSACTIONS. You vote with every transaction. 70% of the US economy is consumption. If everybody sat on the cash for a week, the house would come down.

YOU CAN'T AVOID POLITICS. IF YOU TRY, YOU GET EXPLOITED. When you take a banana to the checkout, they look in the computer to see how many political credits you have and subtract the number of credits to equal the price. Credits/dollars are quantified juice, pull, political power, favors. If you run out of favors, you starve, get banished, evicted, and that's if you are honest. If you steal, you just get jailed.

The bank computer is the counting house, the scorecard. *The fundamental political question is:* Do you want the richest person on the planet to own/control the computer/counting house, or do you want a democratically elected government to own/control it.

**There is no third alternative.** There is only the private sector and the public sector. There are advantages and disadvantages to both, but right now

the private sector owns the computer counting house. Even the federal reserve is privately owned. AND, The size of the debt that the public sector owes to the private sector is equal to the total cash value of all the assets that the public sector owns outright. The national debt is owed to the private sector.

If you add up the value of all the buildings, land, pencils, military jets, gold bars, etc. that the government/public **owns**, the government/public **owes** a little more than that to the private investors who loaned the government money by buying government bonds. (And the feds didn't spend the borrowed money on entitlement programs. They spent it on republican wars)

Private money owns and controls everything today. There is no big government anymore. The republican party and half of the democrats have been cutting it for thirty years. A bankrupt federal government means the unelected private sector owns the government. Sit down. That is the dictionary definition of Fascism. Don't panic. Read on. We've got this. Remember: Every monetary exchange is political. Now for the real details of our wonderful, two party, winner take all, political system, and how you can take it back. But first, a word about democracy.

What is democracy. Democracy is a political system where all voters have equal political power. One person, one vote. Not one dollar one vote. **Democracy Means Political Equality.** Democracy should be more than an ideal. It should be real. What we have now is not democracy. When the majority of voters want X and the richest 1% gets Y rammed through the congress, that means that democracy has been blocked.

We can tell when our democracy is being blocked by comparing public opinion to what legislation gets passed or rejected by congress. Once we know that the money fix is in, we need to demand that the system be adjusted to get the big money out, whatever that takes. We can do it, if we want it bad enough. My task is to get you to want it bad enough to do everything you can to force the issue. It starts at the water cooler, gets emailed to congress, gets fought over passionately in the elections, and needs to be defended after victory.

This is hard work, but it's worth it. Once we achieve real democracy, we



will love it so much that the work we have to do to defend it from the oligarchs will be a pleasure. We have never had a real democracy. Democracy is political equality. We get a tiny bit more of it with every generation over time, but we are still far from real democracy. Democracy today is 10% real and 90% a mythical ideal. We are still 90% one dollar one vote. We have more than ever, but having any at all is only recent history. We need to stop telling children that we live in a real democracy. It sets them up for a big shock. They can handle the truth.

A word to the ruling class of today. Democracy is not *economic* equality. Democracy does not mean that every person will have the same amount of money. CEOs will still make more money than clerks. What will be different is that clerks will have the same amount of political power as CEOs. You can still be rich, but elections will not be for sale.

The mistaken fear that political equality (democracy) means economic equality is the reason that the rich fear democracy when they need not. Democracy will reduce the wealth gap between the rich and the rest of us, but not so much that the rich need to fear a lowered standard of living. The gap is so wide now that adjusting it would actually benefit everyone, including the rich, because the gap of today is so wide that it is unsustainable. The last gap of this size caused the Great Depression and World War II.

When republicans hear the word democracy, they imagine the destruction of private property and a total redistribution of wealth. This distortion is contrary to their other distorted image of democracy on one side and communism on the other, but republicans pundits don't really believe what they say. This false choice is carefully crafted political propaganda. Republican leaders secretly fear democracy while spinning it the other way. They use democracy as an excuse to intrude in the domestic affairs of other nations, but they fear it at home.

They need to lighten up. Democracy is political equality, not economic equality, and we have so little of it at present that getting it up to speed is not a threat to anyone. The real threat to the rich is economic collapse caused by too little democracy.

## LET'S GET STARTED

This book is not written for economists. I am writing for the general population. I think you will find it an easy read. This is a little book that you can give to a friend who gets confused about what goes on the political left versus the political right. Passing this information on is the most important thing that we can do to stop the media propaganda machine. **Almost all of the attack ads are about confusing the left and the right.** No amount of dirty campaign money can be effective if working class voters know this history.

This is essentially an introduction to the legislative history of the two major parties. It is not just my opinion that the democrats go on the left, and historically vote for the economic interests of the working class, you can count the votes on individual bills. I can't cover everything, but I cover the issues that rank high on voter interest. This information really comes in handy at the water cooler.

Before we get started, please do not get fooled by spin doctors that tell you that the whole concept of left versus right is no longer relevant. That is just a trick to confuse people. Not one person in a right wing think tank believes it. They know what goes on the left and the right, and now you will too.

I am not an economist. I am an anti-economist. I am a social worker, writer, musician, and a progressive political blogger. I don't write about money from the top down, but from the bottom up. I write about Firewall Economics, an economic model that I developed in graduate school at almost exactly the same time that Ronald Reagan started the movement for radical, trickle down, supply side economics, that drove us into the massive ditch that history will call the great recession.

History has not been kind to Reaganomics. Almost everyone questions the old supply side pitch now, but the economically oppressed people that social workers serve did not need three decades of experimentation to come

to that conclusion. They have never been believers in the invisible hand theory of Adam Smith. A so called rising tide to lift all boats doesn't help if you have no boat.

I read the books, but I learned more about money listening to the residents of the Chicago projects than I ever did by reading an economics textbook. Most people never take economics, and if they do it's usually just economics 101 that never goes beyond the classical supply side dogma that is proven false every time we get a major recession. People who live in the projects know that "It don't trickle down, it goes up, and it don't trickle." As the effects of the great recession reach more and more people in increasingly higher middle class income levels, they start to discover what lower income people have always known. Classical and neoclassical economics is BS.

I don't have a problem with all economists. I suspect that a lot of them don't believe the supply side stuff, and they only act like they do to get tenure at a university, or a big check from some libertarian think tank. I studied national social welfare policy in graduate school. It's kind of like economics in reverse. Economists think from the top down, and social work policy people think from the bottom up.

Every policy position has consequences for some groups and benefits for others. We predict the effect that a policy proposal would have on low income people, take a stand against the bad ones, and promote the good ones. Economists evaluate policy from the top down. They go for policies that make money for the 1% first, and then try to explain away the subsequent damage they inflict on the other 99%.

This is not just another book by a progressive that calls for a return to demand side Keynesian economics. Firewall economics is a moderate, centrist compromise between the left and the right. It would actually save capitalism by keeping it away from markets for the basic desperate necessities of life. The central premise of FE is that capitalism and socialism do not mix well at all. Capitalism is based on competition, and socialism is based on cooperation. They cancel each other out in mixed economies, and all economies are mixed. They are all attempts to mix capitalism and socialism in one way or another. How to do the mixing is the problem.

For purposes of this brief introduction I will call our two opposing

classical economic models simply capitalism and socialism. I will provide more detail later. I put capitalism, the private sector, and supply side economics on the right, and socialism, the public sector, and demand side economics on the left. They are not all exactly the same thing, but they line up together.

Liberals and progressives run from the S word. Socialism is not a bad word. Even taxes are socialism. A central planned economy with lots of nice regulations against selling people bad stuff is socialism too. A public road or park is socialism. Even the army is socialism. We can't live without some degree of socialism. The left needs to explain this, and stop avoiding the word.

Politics is all about the mix. In good times the rich turn up the capitalism, and they get away with it because there is enough money going around to keep most people working. Only very low income voters get angry, but the republicans never have enough sense to stop pulling to the right before enough middle class voters get locked out to defeat them, and then we have a big pull to the left. Both sides overreach. We never get far enough to the left to find out if the progressive democrats are smart enough to stop pulling left before they start losing the upper middle class, but it's certainly possible. We seem to go in cycles that last for decades. The republican right goes too far and causes a backlash to the center. (The left never get's a chance to govern.) The next three or four decades involve a gradual grinding crawl back to the extreme right. We reach critical mass, have a recession, and get a voter revolt that takes us back to the center again.

I have a theory about why the right doesn't stop short of the point where the majority turns on them, why they overreach. Everyone craves economic security even more than wealth. The right has no security because they rely on the stock market and private sector investments to feel secure. They are driven to save as much money for retirement as possible, at whatever the cost, because they never feel safe enough to stop. There is no security in a 401k. You can lose it all in one day. Only a defined benefit pension can give you a feeling of security, and the rich are not accustomed to living at the level of income that you get from a monthly Social Security check. The rich are always pulling to the right and turning up the capitalism

in the mixed economy because they always feel insecure, no matter how rich they are. They pull us so far to the right that the rest of us can't obtain the basic necessities of life.

Here is my next premise. Capitalist economics and socialist economics don't mix well because they cancel each other out, AND, they each do some things well and other things not so well. Capitalism makes a lousy safety net for the general population. It's not great at guaranteeing the basic necessities of a dignified human life for everyone at once. Socialism is better at that. Socialism is not as good at providing incentives for strong talented individuals to take chances, work hard, and innovate. Think of the old Russian that says, "We pretend to work and they pretend to pay us." We all seem to agree that we want a mixed economy. Why can't we use socialist economics to lock down the safety net, and turn the capitalist energy loose on all the other markets that we CAN live without, when we can't afford them. We can put a firewall between capitalism and socialism.

Now to the question of what should be, or should not be, a protected necessity. My definition of a desperate necessity is something that you can NOT refuse to buy, even if you can not afford it. I must buy electricity, health care, food, etc. I can refuse to buy a second car. There are lots of things that I CAN refuse to buy and not die, get sick, or get arrested. That's my personal definition. Some people may think that a phone is a necessity, and some may not. The best way to decide what is or is not a protected necessity is by direct democracy. We actually have the computer technology for individuals to vote on single line items in the federal budget, but that is a sidebar for now.

I will explain Firewall Economics in more detail and I will also demonstrate it's potential effect on present socioeconomic problems by simply applying it to current events. I will pick problems out of my morning paper as they come by and make the argument for how the FE model would solve them. I will show you the news through a FE lens. You can see regular applications of Firewall Economics to current events by following my blog at [firewalleconomics.com](http://firewalleconomics.com).

Here is my facebook page too:

<https://www.facebook.com/firewalleconomics>

I will make the argument that FE can provide a good safety net for everyone in such a way that even the 1% would not only agree to it, but actually benefit from it. There are plenty of markets out there for the investor class to make money on without playing casino with necessities. Think Enron. Taking the worst kind of economic fear out of the system helps everyone and actually might just lift all boats. Tell the rich that FE doesn't want to kill capitalism. It just wants to set rational limits to what can be for sale.

## Chapter 1

### **Economists Usually Sell Out**

Like I said in the introduction, I am not an economist. If you tell a social worker that they are not an economist, they will take it as a compliment. We know that the vast majority of social problems we find in the community are not caused by psychopathology, low IQ, lack of motivation, poor character, etc. Almost all the stress out there in the streets is caused by supply side, Milton Friedman loving, conservative economists, who ignore reality and say whatever the republican party wants to hear. Poverty is not a disease.

Poverty is not something that people do to themselves. Poverty is something that is done TO them. To say that the poor bring it on themselves is to blame the victim. The investor class has a very effective propaganda machine working the twenty four hour news cycle to keep people who have never met a family in poverty convinced that poverty is self-inflicted, and the propaganda works.

There are political cycles to what they send social workers out to do. During conservative cycles they expect us to be psychotherapists. (As if the poor are mentally ill.) During centrist times they let us be community organizers. I started in the early 1980's. Community organizer jobs were going extinct, but psychotherapy jobs made a big surge. The letters at the end of my name mean that I am a licensed psychotherapist, a psychiatric social worker. If you wanted a social work job in the last 30 years, those are the letters you wanted, and they are not easy to get.

In the 60's we were able to work in Community Action Programs where we could organize rent strikes. In the 80's, the social workers that were left had to write BS treatment plans in mental health clinics and psychiatric hospitals. This is ironic because that was about the same time that the

republicans pulled off the DE-institutionalization movement that pushed a lot of patients who really needed mental health care out to the streets. I did get to spend a few years in the community before working at a state psychiatric hospital, but not as a community organizer.

Right out of graduate school I joined a child protective services team on the south side of Chicago. I worked at the Illinois Department of Children and Family Services. Basically they sent us into the projects to counsel people, but we just went there and tried to encourage people to get politically active. We did unauthorized community organization, apologized for the insulting language in the forms we asked them to sign, advocated for them in court, and did whatever we could to keep all the kids safe. Anyway, once you work in an area like that, you can see that poverty is not self-inflicted. Most people never get the opportunity to know someone in extreme poverty, but I'm sure that the experience would convince them that 1. Poverty is not caused by making poor choices, and 2. It can happen to anyone overnight in a system with a bad safety net like we have.

People in poverty are actually good at real world economics. They know a lot about money because they have to get creative about stretching it. I learned a great deal about money from listening to people in public housing. Nothing focuses the mind like three or four generations of hunger. Some of the things they do look foolish to outsiders, but they are actually very clever.

They share everything. They act as a collective, not as a bunch of individuals competing against each other. They are masters of the concept of opportunity cost. The cost of buying X is whatever Y you can't buy if you buy X. They know that trickle down economics is a rich man's rationalization for being born rich. Ironically, right cross the highway from the old high rise projects was The University of Chicago, the home of the neoconservative, Nobel Prize winning, trickle down singing, so called Chicago School of BS Economics.

The professors over there never crossed the highway without closing the windows on their luxury cars and hitting the power locks. You could hear them popping when three or four cars were waiting at the light. Pop-pop-pop-pop.

It's just my opinion, but I don't think that any of those economists



actually believed the stuff they said and wrote. How could you look at those projects and think you were looking at thousands of individual character disorders. The teachers just wanted tenure. They said what they thought they had to say, and probably rationalized it by telling themselves that they could speak out once they got security. But once they do get it, they get stuck. They can't switch sides because they would look hypocritical.

It must be hard for them. It must feel like a doctor who is forced to say that smoking is not harmful because she works for a tobacco company. That's why I made myself a promise, after seeing people sell out, to never swallow my professional opinion for any job. Some things are worth more than money or job security. I eventually angered all of my bosses and got fired once, but I came out way ahead anyway. I tell the truth to power. How many company men can say that. I highly recommend this career strategy.

Conservative republicans say that anybody can get ahead if they make good choices and work hard enough. Pull yourself up by your own bootstraps. How hard is enough? If you make it, that's enough. If you don't make it, then you didn't work hard enough. That is circular reasoning, something that a professor at the University of Chicago would know is philosophically indefensible, and not acceptable for a social science like economics. If a theory is untestable, then it is impossible to prove it false, and it can not stand. Trickle down economics however, is testable. It has been tested and proven false, not just by deductive reasoning, but by history, over and over again.

The data are online for everyone to see. Look at the time line graphs. You can quickly find a graph to prove that every time we let the supply side people loose on the economy, without regulating them closely, we get a bubble and a recession. Turn of the century--no regulation--bubble--depression--FDR--regulations go on--after the war we get lasting prosperity like the great depression was a one time fluke--regulations off--another bubble--great recession. Even Alan Greenspan admitted that he was wrong to believe that markets self-regulate themselves. There is no invisible hand. He said it before congress and we have the video. I guess he is not as smart as the people that lived in the Robert Taylor highrise projects across the highway from the Chicago School, or maybe they could tell the truth without

fear of angering the bankers. I think Greenspan had to swallow his professional opinion for years. He did specialized study in the causes of the great depression. He knew.

Since people in poverty know that trickle down economics is BS, they look lazy to people who do believe in it, because they don't kill themselves trying to invest in a career strategy that they know won't pay off. There has been no upward mobility for 30 years. We now actually have *downward* mobility. Even upper middle class people who scratched hard in the last three decades are on food stamps now. The people in Robert Taylor in the 80's were convinced that the game has always been rigged, and they were right. The oligarchs thought that people in poverty were mentally ill, or at least in the need of some good counseling, because they refused to charge a stone wall. What were they supposed to do, open little stores and sell each other insurance. They were rational in everything they did or didn't do. Sometimes desperate people do desperate things, but they had no control over the socioeconomic environment that they were born into.

They didn't waste money because of poor judgment or a hedonistic inability to delay gratification. They paid high prices for things because the stores within walking distance overcharged them. Currency exchanges ripped them off. (They charge a percentage of the total to cash a check, not a flat fee). Their kids saw stuff on TV and begged them to spend.

There is a big double standard here too. Everybody buys stuff that they can't afford. Rich people do it too. But people in poverty are supposed to be so tough that they never give in to even the slickest ads on the tube. Your budgeting skills are your own business unless you are poor. If you get public services then your budgeting methods become subject to public criticism. They put you under a microscope so severe that one slip condemns an entire group of people to ridicule. Republicans are always looking for a welfare queen in a Cadillac to put on the news.

Everyone worries about providing the basic necessities for their family. All people are adaptive, and can adjust to sparse environments, but people in poverty are especially vulnerable to exploitation by merchants who take advantage of their lack of mobility, and their inability to refuse to buy certain things. It's the necessities that make them vulnerable to price gouging. Many

large urban areas have no good supermarkets, and without a car there can be no escape from high prices. Convenient stores overcharge for groceries. When there IS a grocery store in the neighborhood, the selection is poor and the prices are higher than an upscale market in a suburban strip mall. Fast food is the cheapest way to eat, but it causes obesity from empty calories with little nutritional value.

Capitalism without adequate regulation is a race to the bottom, and as long it's legal to charge whatever the market will bear for desperate necessities, those of us with the least money will pay the highest prices for the things we cannot refuse to buy. Under a system of Firewall Economics, markets for desperate necessities would be protected from exploitation. Surely that is not too much to ask. There is so much profit to be made in other areas, the private sector could easily adjust to a few markets being out of bounds. Rules are good for competition anyway. There is a rule against using a knife in a football game. It wouldn't be a better game if you could stab the kicker. Capitalism can easily adapt to a system where price gouging on desperate necessities is against the rules.

## Chapter 2

### **Private Sector Versus Public Sector, There Is No Third Choice. The Politics Of Left Versus Right Is Still Very Important. What It Means To Be A Progressive.**

Guess what. Laws that protect us come from the government. There is no other source. The private sector can not be trusted to self-regulate. The US is the biggest economy in the history of the world. You can be governed by the government you elect, or by the corporations that you don't. You pick. **There is no third choice.** We are a big country. You can have a big government or big corporations calling the shots, but nothing small is going to steer this ship.

The size of our government right now is half the size of European democracies. They spend 50% of GNP through the government and we spend 25%. They don't spend the 50% on wars. They spend it on the people. Our government is now smaller than it has ever been proportionally.

**Corporations and the federal government compete with each other for control.** The corporations are already big. If the government is small, corporations will dominate the government, and that's called fascism. That's right. What we have right now is close to fascism. China used to be a communist nation. Now they too are essentially fascist. Big corporations controlling the government is called fascism. It started in Italy, went to Germany, killed my grandfather, and got defeated in WWII, but it is still alive.

The stated policies of the republican party are on the same side of the fence as fascism, and the extreme right wing of the republican party is very close to fascism. More on the left and right later, but fascism goes on the extreme right. They don't cover this material well in high school, especially in Texas.

Small government goes on the right. We have a tiny government, (except for the military), and the republicans want it even smaller. The top 1% own half of everything, and they pay a lower tax rate than everybody else. We are in a ditch, and it's not because of leftist politics because **the left has NEVER been in power.** This is what you get when the radical republican trickle down crew gets to rule. Even when we have a democrat in the white house and the democrats control both the house and the senate, the left still gets almost nothing that it wants. Republicans tell you that we are in the ditch because of liberal policies. When has the left, not the centrist democrats who are actually republican light, but the actual progressive democrats, had a chance to rule. Never.

Extreme right republicans have overreached. They are vulnerable to a real drive to the far left. They should be wise enough to accept a compromise like Firewall Economics. The country is wealthy enough to afford it without any sacrifice at all. It's not the money that stops the republicans from bending before they break, it's ideology.

Extreme capitalism is a religion. It's like a mutant form of Calvinism on steroids that gets imbedded deep down in the core identity of the rich. To compromise would be a personal admission to themselves that they are not rich by merit. They need to believe that it was their own individual effort and superior character that made them rich, not their uncle's fraternity connections and the financial help they got from their already successful parents. Religion and political ideology live in the same part of the brain. Vulture capitalists who say they have no religion are wrong. Capitalism is their religion.

Let's get going on the political science of the left and the right. I want to give a description of my own personal position on what belongs on the left and right of the political spectrum. If you are someone who studied this in high school then you are in the minority. If you went to college it was probably only covered in an elective course. A lot of people actually graduate without giving it much attention, unless they major in a related subject. This is supposed to be a democracy, and a successful democracy depends on an informed electorate. Democracy is not working well at this stage because a

lot of people are not very well informed.

Republican spin doctors have been especially successful at exploiting low income white voters who do not know the political left from the right. You can't graduate from high school in the US without some pretty advanced mathematics that you will never need, but you CAN graduate without knowing that the republicans go on the right. Once you know the left from the right, republican candidates can't fool you with a slick pitch that does not honestly represent the philosophy of the republican party.

Republicans have historically voted against every progressive labor bill that they could block. Republicans who pitch a pro labor spin are counting on political illiteracy. All you have to do is a quick internet search. Here are two paragraphs from Wikipedia. If you don't trust Wikipedia there are lots of other sources, but I concur with this one.

The contemporary Left in the United States is usually understood as a category including New Deal liberals, Rawlsian liberals, social democrats and civil libertarians, and is generally identified with the Democratic Party. In general, left-wing implies a commitment to egalitarianism, support for social policies that favor the working class, and multiculturalism. The contemporary Left usually defines itself as promoting government regulation of business, commerce and industry; protection of fundamental rights such as freedom of speech and freedom of religion; and government intervention on behalf of racial, ethnic, and sexual minorities and the working class.

The contemporary Right in the United States is usually understood as a category including social conservatives, Christian conservatives and free market

liberals, and is generally identified with the Republican Party. In general, right-wing implies a commitment to conservative Christian values, support for a free-market system, and "traditional family values". The contemporary Right usually defines itself as promoting deregulation of banking, commerce, and industry. Whether something is to your left or to your right depends on where you stand. According to liberal commentator David Sirota, writing in Salon.com, "On economic issues, we are often told that right is center, center is left, and left is fringe."

There is a lot of agreement about what goes on the left and the right, and for the record, this is how it lines up for me. Liberal goes on the left. I don't mind being labeled a liberal, but the word means tolerant. I am less than tolerant on a lot of issues, so I prefer to be called a progressive.

Progressive goes on the left, even though the original progressive movement was a wing of the republican party at the turn of the century. Teddy Roosevelt was a progressive. Today all the republicans go on the right. Some moderate democrats consider themselves to be social or fiscal conservatives, but no republicans are left of center anymore. Politics is now very polarized.

This is where I describe what a progressive stands for. (Cue The Theme for The Common Man by Aaron Copland) The original progressives were farmers that fought back against ruthless bankers and railroad monopolies. The banks and the railroads had the farmers over a barrel in the late 1800s. Farmers had to borrow from the banks to buy seed, and pay the loans back with income dependent on whatever the grain price was at harvest time. They were vulnerable to market manipulation, and the railroads were unregulated monopolies that could charge whatever they wanted to ship the grain. Remember, when corporations control the government, we call that fascism. Government is the only thing strong enough to protect the little guy from

being crushed by unregulated corporate power. To me the progressives were simply anti-fascist. Fascists go on the extreme right with Hitler, Mussolini, and Franco. Here is a dictionary definition of progressivism.

**Progressivism** is an umbrella term for a political ideology advocating or favoring social, political, and economic reform or changes through the state. Progressivism is often viewed by its advocates to be in opposition to conservative or reactionary ideologies.

The **Progressive Movement** began in the late 19th and early 20th centuries in cities with settlement workers and reformers who were interested in helping those facing harsh conditions at home and at work. The reformers spoke out about the need for laws regulating tenement housing and child labor. They also called for better working conditions for women.

The best definition of the progressive movement I have ever come across is a speech by Bill Moyers. (Used with his permission) If it moves you like it does me, copy the speech and pass it on.



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This is Your Story - The Progressive Story of America.  
Pass It On.  
by Bill Moyers

Text of speech to the Take Back America conference  
sponsored by the Campaign for America's Future  
June 4, 2003  
Washington, DC

Thank you for this award and for this occasion. I don't  
deserve either, but as George Burns said, I have  
arthritis and I don't deserve that, either.  
Tomorrow is my 69th birthday and I cannot imagine a  
better present than this award or a better party than  
your company.

Fifty three years ago tomorrow, on my 16th birthday, I  
went to work for the daily newspaper in the small East  
Texas town where I grew up. It was a good place to be  
a cub reporter – small enough to navigate but big  
enough to keep me busy and learning something every  
day. I soon had a stroke of luck. Some of the old timers  
were on vacation or out sick and I got assigned to cover  
what came to be known as the Housewives' Rebellion.  
Fifteen women in my home town decided not to pay  
the social security withholding tax for their domestic  
workers. They argued that social security was  
unconstitutional, that imposing it was taxation without  
representation, and that – here's my favorite part –  
"requiring us to collect (the tax) is no different from

requiring us to collect the garbage." They hired themselves a lawyer – none other than Martin Dies, the former congressman best known, or worst known, for his work as head of the House Committee on Un-American Activities in the 30s and 40s. He was no more effective at defending rebellious women than he had been protecting against communist subversives, and eventually the women wound up holding their noses and paying the tax.

The stories I wrote for my local paper were picked up and moved on the Associated Press wire. One day, the managing editor called me over and pointed to the AP ticker beside his desk. Moving across the wire was a notice citing one Bill Moyers and the paper for the reporting we had done on the "Rebellion."

That hooked me, and in one way or another – after a detour through seminary and then into politics and government for a spell – I've been covering the class war ever since. Those women in Marshall, Texas were its advance guard. They were not bad people. They were regulars at church, their children were my friends, many of them were active in community affairs, their husbands were pillars of the business and professional class in town. They were respectable and upstanding citizens all. So it took me awhile to figure out what had brought on that spasm of reactionary rebellion. It came to me one day, much later. They simply couldn't see beyond their own prerogatives. Fiercely loyal to their families, to their clubs, charities and congregations – fiercely loyal, in other words, to their own kind – they narrowly defined membership in democracy to include only people like them. The women who washed and ironed their laundry, wiped their children's bottoms,

made their husband's beds, and cooked their family meals – these women, too, would grow old and frail, sick and decrepit, lose their husbands and face the ravages of time alone, with nothing to show from their years of labor but the crease in their brow and the knots on their knuckles; so be it; even on the distaff side of laissez faire, security was personal, not social, and what injustice existed this side of heaven would no doubt be redeemed beyond the Pearly Gates. God would surely be just to the poor once they got past Judgment Day.

In one way or another, this is the oldest story in America: the struggle to determine whether "we, the people" is a spiritual idea embedded in a political reality – one nation, indivisible – or merely a charade masquerading as piety and manipulated by the powerful and privileged to sustain their own way of life at the expense of others.

Let me make it clear that I don't harbor any idealized notion of politics and democracy; I worked for Lyndon Johnson, remember? Nor do I romanticize "the people." You should read my mail – or listen to the vitriol virtually spat at my answering machine. I understand what the politician meant who said of the Texas House of Representatives, "If you think these guys are bad, you should see their constituents."

But there is nothing idealized or romantic about the difference between a society whose arrangements roughly serve all its citizens and one whose institutions have been converted into a stupendous fraud. That difference can be the difference between democracy and oligarchy.

Look at our history. All of us know that the American Revolution ushered in what one historian called "The Age of Democratic Revolutions." For the Great Seal of the United States the new Congress went all the way back to the Roman poet Virgil: *Novus Ordo Seclorum* – "a new age now begins." Page Smith reminds us that "their ambition was not merely to free themselves from dependence and subordination to the Crown but to inspire people everywhere to create agencies of government and forms of common social life that would offer greater dignity and hope to the exploited and suppressed" – to those, in other words, who had been the losers. Not surprisingly, the winners often resisted. In the early years of constitution-making in the states and emerging nation, aristocrats wanted a government of propertied "gentlemen" to keep the scales tilted in their favor. Battling on the other side were moderates and even those radicals harboring the extraordinary idea of letting all white males have the vote. Luckily, the weapons were words and ideas, not bullets. Through compromise and conciliation the draftsmen achieved a Constitution of checks and balances that is now the oldest in the world, even as the revolution of democracy that inspired it remains a tempestuous adolescent whose destiny is still up for grabs. For all the rhetoric about "life, liberty, and the pursuit of happiness," it took a civil war to free the slaves and another hundred years to invest their freedom with meaning. Women only gained the right to vote in my mother's time. New ages don't arrive overnight, or without "blood, sweat, and tears." You know this. You are the heirs of one of the country's great traditions – the progressive movement that started late in the 19th century and remade the American

experience piece by piece until it peaked in the last third of the 20th century. I call it the progressive movement for lack of a more precise term. Its aim was to keep blood pumping through the veins of democracy when others were ready to call in the mortician. Progressives exalted and extended the original American revolution. They spelled out new terms of partnership between the people and their rulers. And they kindled a flame that lit some of the most prosperous decades in modern history, not only here but in aspiring democracies everywhere, especially those of western Europe.

Step back with me to the curtain-raiser, the founding convention of the People's Party – better known as the Populists – in 1892. The members were mainly cotton and wheat farmers from the recently reconstructed South and the newly settled Great Plains, and they had come on hard, hard times, driven to the wall by falling prices for their crops on one hand and racking interest rates, freight charges and supply costs on the other. This in the midst of a booming and growing industrial America. They were angry, and their platform – issued deliberately on the 4th of July – pulled no punches. "We meet," it said, "in the midst of a nation brought to the verge of moral, political and material ruin....Corruption dominates the ballot box, the [state] legislatures and the Congress and touches even the bench.....The newspapers are largely subsidized or muzzled, public opinion silenced....The fruits of the toil of millions are boldly stolen to build up colossal fortunes for a few." Furious words from rural men and women who were traditionally conservative and whose memories of

taming the frontier were fresh and personal. But in their fury they invoked an American tradition as powerful as frontier individualism – the war on inequality and especially on the role that government played in promoting and preserving inequality by favoring the rich. The Founding Fathers turned their backs on the idea of property qualifications for holding office under the Constitution because they wanted no part of a 'veneration for wealth" in the document. Thomas Jefferson, while claiming no interest in politics, built up a Republican Party – no relation to the present one – to take the government back from the speculators and "stock-jobbers," as he called them, who were in the saddle in 1800. Andrew Jackson slew the monster Second Bank of the United States, the 600-pound gorilla of the credit system in the 1830s, in the name of the people versus the aristocrats who sat on the bank's governing board.

All these leaders were on record in favor of small government – but their opposition wasn't simply to government as such. It was to government's power to confer *privilege* on insiders; on the rich who were democracy's equivalent of the royal favorites of monarchist days. (It's what the FCC does today.) The Populists knew it was the government that granted millions of acres of public land to the railroad builders. It was the government that gave the manufacturers of farm machinery a monopoly of the domestic market by a protective tariff that was no longer necessary to shelter "infant industries." It was the government that contracted the national currency and sparked a deflationary cycle that crushed debtors and fattened the wallets of creditors. And those who made the great

fortunes used them to buy the legislative and judicial favors that kept them on top. So the Populists recognized one great principle: the job of preserving equality of opportunity and democracy demanded the end of any unholy alliance between government and wealth. It was, to quote that platform again, "from the same womb of *governmental injustice*" that tramps and millionaires were bred.

But how? How was the democratic revolution to be revived? The promise of the Declaration reclaimed? How were Americans to restore government to its job of promoting the *general* welfare? And here, the Populists made a breakthrough to another principle. In a modern, large-scale, industrial and nationalized economy it wasn't enough simply to curb the government's outreach. That would simply leave power in the hands of the great corporations whose existence was inseparable from growth and progress. The answer was to turn government into an active player in the economy at the very least enforcing fair play, and when necessary being the friend, the helper and the agent of the people at large in the contest against entrenched power. So the Populist platform called for government loans to farmers about to lose their mortgaged homesteads – for government granaries to grade and store their crops fairly – for governmental inflation of the currency, which was a classical plea of debtors – and for some decidedly non-classical actions like government ownership of the railroad, telephone and telegraph systems and a graduated – i.e., progressive tax on incomes and a flat ban on subsidies to "any private corporation." And to make sure the government stayed on the side of the people, the 'Pops' called for

the initiative and referendum and the direct election of Senators.

Predictably, the Populists were denounced, feared and mocked as fanatical hayseeds ignorantly playing with socialist fire. They got twenty-two electoral votes for their candidate in '92, plus some Congressional seats and state houses, but it was downhill from there for many reasons. America wasn't – and probably still isn't – ready for a new major party. The People's Party was a spent rocket by 1904. But if political organizations perish, their key ideas don't - keep that in mind, because it give prospective to your cause today. Much of the Populist agenda would become law within a few years of the party's extinction. And that was because it was generally shared by a rising generation of young Republicans and Democrats who, justly or not, were seen as less outrageously outdated than the embattled farmers. These were the progressives, your intellectual forebears and mine.

One of my heroes in all of this is William Allen White, a Kansas country editor – a Republican – who was one of them. He described his fellow progressives this way: "What the people felt about the vast injustice that had come with the settlement of a continent, we, their servants – teachers, city councilors, legislators, governors, publishers, editors, writers, representatives in Congress and Senators – all made a part of our creed. Some way, into the hearts of the dominant middle class of this country, had come a sense that their civilization needed recasting, that their government had fallen into the hands of self-seekers, that a new relationship should be established between the haves



and the have-nots."

They were a diverse lot, held together by a common admiration of progress – hence the name – and a shared dismay at the paradox of poverty stubbornly persisting in the midst of progress like an unwanted guest at a wedding. Of course they welcomed, just as we do, the new marvels in the gift-bag of technology – the telephones, the autos, the electrically-powered urban transport and lighting systems, the indoor heating and plumbing, the processed foods and home appliances and machine-made clothing that reduced the sweat and drudgery of home-making and were affordable to an ever-swelling number of people. But they saw the underside, too – the slums lurking in the shadows of the glittering cities, the exploited and unprotected workers whose low-paid labor filled the horn of plenty for others, the misery of those whom age, sickness, accident or hard times condemned to servitude and poverty with no hope of comfort or security.

This is what's hard to believe – hardly a century had passed since 1776 before the still-young revolution was being strangled in the hard grip of a merciless ruling class. The large corporations that were called into being by modern industrialism after 1865 – the end of the Civil War – had combined into trusts capable of making minions of both politics and government. What Henry George called "an immense wedge" was being forced through American society by "the maldistribution of wealth, status, and opportunity."

We should pause here to consider that this is Karl Rove's cherished period of American history; it was, as I read him, the seminal influence on the man who is

said to be George W.'s brain. From his own public comments and my reading of the record, it is apparent that Karl Rove has modeled the Bush presidency on that of William McKinley, who was in the White House from 1897 to 1901, and modeled himself on Mark Hanna, the man who virtually manufactured McKinley. Hanna had one consummate passion – to serve corporate and imperial power. It was said that he believed "without compunction, that the state of Ohio existed for property. It had no other function...Great wealth was to be gained through monopoly, through using the State for private ends; it was axiomatic therefore that businessmen should run the government and run it for personal profit."

Mark Hanna – Karl Rove's hero – made William McKinley governor of Ohio by shaking down the corporate interests of the day. Fortunately, McKinley had the invaluable gift of emitting sonorous platitudes as though they were recently discovered truth. Behind his benign gaze the wily intrigues of Mark Hanna saw to it that first Ohio and then Washington were "ruled by business...by bankers, railroads and public utility corporations." Any who opposed the oligarchy were smeared as disturbers of the peace, socialists, anarchists, "or worse." Back then they didn't bother with hollow euphemisms like "compassionate conservatism" to disguise the raw reactionary politics that produced government "of, by, and for" the ruling corporate class. They just saw the loot and went for it. The historian Clinton Rossiter describes this as the period of "the great train robbery of American intellectual history." Conservatives – or better, pro-corporate apologists – hijacked the vocabulary of

Jeffersonian liberalism and turned words like "progress", "opportunity", and "individualism" into tools for making the plunder of America sound like divine right. Charles Darwin's theory of evolution was hijacked, too, so that conservative politicians, judges, and publicists promoted, as if it were, the natural order of things, the notion that progress resulted from the elimination of the weak and the "survival of the fittest."

This "degenerate and unlovely age," as one historian calls it, exists in the mind of Karl Rove – the reputed brain of George W. Bush – as the seminal age of inspiration for the politics and governance of America today.

No wonder that what troubled our progressive forebears was not only the miasma of poverty in their nostrils, but the sour stink of a political system for sale. The United States Senate was a "millionaire's club." Money given to the political machines that controlled nominations could buy controlling influence in city halls, state houses and even courtrooms. Reforms and improvements ran into the immovable resistance of the almighty dollar. What, progressives wondered, would this do to the principles of popular government? Because all of them, whatever party they subscribed to, were inspired by the gospel of democracy. Inevitably, this swept them into the currents of politics, whether as active officeholders or persistent advocates.

Here's a small, but representative sampling of their ranks. Jane Addams forsook the comforts of a middle-class college graduate's life to live in Hull House in the midst of a disease-ridden and crowded Chicago

immigrant neighborhood, determined to make it an educational and social center that would bring pride, health and beauty into the lives of her poor neighbors. She was inspired by "an almost passionate devotion to the ideals of democracy," to combating the prevailing notion "that the well being of a privileged few might justly be built upon the ignorance and sacrifice of the many." Community and fellowship were the lessons she drew from her teachers, Jesus and Abraham Lincoln. But people simply helping one another couldn't move mountains of disadvantage. She came to see that "private beneficence" wasn't enough. But to bring justice to the poor would take more than soup kitchens and fund raising prayer meetings. "Social arrangements," she wrote, "can be transformed through man's conscious and deliberate effort." Take note – not individual regeneration or the magic of the market, but conscious, cooperative effort.

Meet a couple of muckraking journalists. Jacob Riis lugged his heavy camera up and down the staircases of New York's disease-ridden, firetrap tenements to photograph the unspeakable crowding, the inadequate toilets, the starved and hollow-eyed children and the filth on the walls so thick that his crude flash equipment sometimes set it afire. Bound between hard covers, with Riis's commentary, they showed comfortable New Yorkers "How the Other Half Lives." They were powerful ammunition for reformers who eventually brought an end to tenement housing by state legislation. And Lincoln Steffens, college and graduate-school educated, left his books to learn life from the bottom up as a police-beat reporter on New York's streets. Then, as a magazine writer, he exposed the

links between city bosses and businessmen that made it possible for builders and factory owners to ignore safety codes and get away with it. But the villain was neither the boodler nor the businessman. It was the indifference of a public that "deplore[d] our politics and laud[ed] our business; that transformed law, medicine, literature and religion into simply business. Steffens was out to slay the dragon of exalting "the commercial spirit" over the goals of patriotism and national prosperity. "I am not a scientist," he said. "I am a journalist. I did not gather the facts and arrange them patiently for permanent preservation and laboratory analysis....My purpose was. ...to see if the shameful facts, spread out in all their shame, would not burn through our civic shamelessness and set fire to American pride."

If corrupt politics bred diseases that could be fatal to democracy, then good politics was the antidote. That was the discovery of Ray Stannard Baker, another journalistic progressive who started out with a detest for election-time catchwords and slogans. But he came to see that "Politics could not be abolished or even adjourned...it was in its essence the method by which communities worked out their common problems. It was one of the principle arts of living peacefully in a crowded world," he said [Compare that to Grover Norquist's latest declaration of war on the body politic. "We are trying to change the tones in the state capitals - and turn them toward bitter nastiness and partisanship." He went on to say that bi-partisanship is another name for date rape."]

There are more, too many more to call to the witness

stand here, but I want you to hear some of the things they had to say. There were educators like the economist John R. Commons or the sociologist Edward A. Ross who believed that the function of "social science" wasn't simply to dissect society for non-judgmental analysis and academic promotion, but to help in finding solutions to social problems. It was Ross who pointed out that morality in a modern world had a social dimension. In "Sin and Society," written in 1907, he told readers that the sins "blackening the face of our time" were of a new variety, and not yet recognized as such. "The man who picks pockets with a railway rebate, murders with an adulterant instead of a bludgeon, burglarizes with a 'rake-off' instead of a jimmy, cheats with a company instead of a deck of cards, or scuttles his town instead of his ship, does not feel on his brow the brand of a malefactor." In other words upstanding individuals could plot corporate crimes and sleep the sleep of the just without the sting of social stigma or the pangs of conscience. Like Kenneth Lay, they could even be invited into the White House to write their own regulations.

And here are just two final bits of testimony from actual politicians – first, Brand Whitlock, Mayor of Toledo. He is one of my heroes because he first learned his politics as a beat reporter in Chicago, confirming my own experience that there's nothing better than journalism to turn life into a continuing course in adult education. One of his lessons was that "the alliance between the lobbyists and the lawyers of the great corporation interests on the one hand, and the managers of both the great political parties on the other, was a fact, the worst feature of which was that no one seemed

to care."

And then there is Tom Johnson, the progressive mayor of Cleveland in the early nineteen hundreds – a businessman converted to social activism. His major battles were to impose regulation, or even municipal takeover, on the private companies that were meant to provide affordable public transportation and utilities but in fact crushed competitors, overcharged customers, secured franchises and licenses for a song, and paid virtually nothing in taxes – all through their pocketbook control of lawmakers and judges. Johnson's argument for public ownership was simple: "If you don't own them, they will own you. It's why advocates of Clean Elections today argue that if anybody's going to buy Congress, it should be the people." When advised that businessmen got their way in Washington because they had lobbies and consumers had none, Tom Johnson responded: "If Congress were true to the principles of democracy it would be the people's lobby." What a radical contrast to the House of Representatives today!

Our political, moral, and intellectual forbearance occupy a long and honorable roster. They include wonderful characters like Dr. Alice Hamilton, a pioneer in industrially-caused diseases, who spent long years clambering up and down ladders in factories and mineshafts – in long skirts! – tracking down the unsafe toxic substances that sickened the workers whom she would track right into their sickbeds to get leads and tip-offs on where to hunt. Or Harvey Wiley, the chemist from Indiana who, from a bureaucrat's desk in the Department of Agriculture, relentlessly warred on

foods laden with risky preservatives and adulterants with the help of his "poison squad" of young assistants who volunteered as guinea pigs. Or lawyers like the brilliant Harvard graduate Louis Brandeis, who took on corporate attorneys defending child labor or long and harsh conditions for female workers. Brandeis argued that the state had a duty to protect the health of working women and children.

To be sure, these progressives weren't all saints. Their glory years coincided with the heyday of lynching and segregation, of empire and the Big Stick and the bold theft of the Panama Canal, of immigration restriction and ethnic stereotypes. Some were themselves businessmen only hoping to control an unruly marketplace by regulation. But by and large they were conservative reformers. They aimed to preserve the existing balance between wealth and commonwealth. Their common enemy was unchecked privilege, their common hope was a better democracy, and their common weapon was informed public opinion. In a few short years the progressive spirit made possible the election not only of reform mayors and governors but of national figures like Senator George Norris of Nebraska, Senator Robert M. LaFollette of Wisconsin, and even that hard-to-classify political genius, Theodore Roosevelt. All three of them Republicans. Here is the simplest laundry-list of what was accomplished at state and Federal levels: Publicly regulated or owned transportation, sanitation and utilities systems. The partial restoration of competition in the marketplace through improved antitrust laws. Increased fairness in taxation. Expansion of the public education and juvenile justice systems. Safer



workplaces and guarantees of compensation to workers injured on the job. Oversight of the purity of water, medicines and foods. Conservation of the national wilderness heritage against overdevelopment, and honest bidding on any public mining, lumbering and ranching. We take these for granted today – or we did until recently. All were provided not by the automatic workings of free enterprise but by implementing the idea in the Declaration of Independence that the people had a right to governments that best promoted their "safety and happiness."

The mighty progressive wave peaked in 1912. But the ideas leashed by it forged the politics of the 20th century. Like his cousin Theodore, Franklin Roosevelt argued that the real enemy of enlightened capitalism was "the malefactors of great wealth" – the "economic royalists" – from whom capitalism would have to be saved by reform and regulation. Progressive government became an embedded tradition of Democrats – the heart of FDR's New Deal and Harry Truman's Fair Deal, and honored even by Dwight D. Eisenhower, who didn't want to tear down the house progressive ideas had built – only to put it under different managers. The progressive impulse had its final fling in the landslide of 1969 when LBJ, who was a son of the West Texas hill country, where the Populist rebellion had been nurtured in the 1890s, won the public endorsement for what he meant to be the capstone in the arch of the New Deal.

I had a modest role in that era. I shared in its exhilaration and its failures. We went too far too fast, overreached at home and in Vietnam, failed to examine some assumptions, and misjudged the rising

discontents and fierce backlash engendered by war, race, civil disturbance, violence and crime. Democrats grew so proprietary in this town that a fat, complacent political establishment couldn't recognize its own intellectual bankruptcy or the beltway that was growing around it and beginning to separate it from the rest of the country. The failure of democratic politicians and public thinkers to respond to popular discontents – to the daily lives of workers, consumers, parents, and ordinary taxpayers – allowed a resurgent conservatism to convert public concern and hostility into a crusade to resurrect social Darwinism as a moral philosophy, multinational corporations as a governing class, and the theology of markets as a transcendental belief system.

As a citizen I don't like the consequences of this crusade, but you have to respect the conservatives for their successful strategy in gaining control of the national agenda. Their stated and open aim is to change how America is governed - to strip from government all its functions except those that reward their rich and privileged benefactors. They are quite candid about it, even acknowledging their mean spirit in accomplishing it. Their leading strategist in Washington - the same Grover Norquist – has famously said he wants to shrink the government down to the size that it could be drowned in a bathtub. More recently, in commenting on the fiscal crisis in the states and its affect on schools and poor people, Norquist said, "I hope one of them" – one of the states – "goes bankrupt." So much for compassionate conservatism. But at least Norquist says what he means and means what he says. The White House pursues the same homicidal dream without saying so. Instead of shrinking down the government,

they're filling the bathtub with so much debt that it floods the house, water-logs the economy, and washes away services for decades that have lifted millions of Americans out of destitution and into the middle-class. And what happens once the public's property has been flooded? Privatize it. Sell it at a discounted rate to the corporations.

It is the most radical assault on the notion of one nation, indivisible, that has occurred in our lifetime. I'll be frank with you: I simply don't understand it – or the malice in which it is steeped. Many people are nostalgic for a golden age. These people seem to long for the Gilded Age. That I can grasp. They measure America only by their place on the material spectrum and they bask in the company of the new corporate aristocracy, as privileged a class as we have seen since the plantation owners of antebellum America and the court of Louis IV. What I can't explain is the rage of the counter-revolutionaries to dismantle every last brick of the social contract. At this advanced age I simply have to accept the fact that the tension between haves and have-nots is built into human psychology and society itself – it's ever with us. However, I'm just as puzzled as to why, with right wing wrecking crews blasting away at social benefits once considered invulnerable, Democrats are fearful of being branded "class warriors" in a war the other side started and is determined to win. I don't get why conceding your opponent's premises and fighting on his turf isn't the sure-fire prescription for irrelevance and ultimately obsolescence. But I confess as well that I don't know how to resolve the social issues that have driven wedges into your ranks. And I don't know how to reconfigure democratic

politics to fit into an age of soundbites and polling dominated by a media oligarchy whose corporate journalists are neutered and whose right-wing publicists have no shame.

What I do know is this: While the social dislocations and meanness that galvanized progressives in the 19th century are resurgent so is the vision of justice, fairness, and equality. That's a powerful combination if only there are people around to fight for it. The battle to renew democracy has enormous resources to call upon - and great precedents for inspiration. Consider the experience of James Bryce, who published "The Great Commonwealth" back in 1895 at the height of the First Gilded Age. Americans, Bryce said, "were hopeful and philanthropic." He saw first-hand the ills of that "dark and unlovely age," but he went on to say: " A hundred times I have been disheartened by the facts I was stating: a hundred times has the recollection of the abounding strength and vitality of the nation chased away those tremors."

What will it take to get back in the fight? Understanding the real interests and deep opinions of the American people is the first thing. And what are those? That a Social Security card is not a private portfolio statement but a membership ticket in a society where we all contribute to a common treasury so that none need face the indignities of poverty in old age without that help. That tax evasion is not a form of conserving investment capital but a brazen abandonment of responsibility to the country. That income inequality is not a sign of freedom-of-opportunity at work, because if it persists and grows,

then unless you believe that some people are naturally born to ride and some to wear saddles, it's a sign that opportunity is less than equal. That self-interest is a great motivator for production and progress, but is amoral unless contained within the framework of community. That the rich have the right to buy more cars than anyone else, more homes, vacations, gadgets and gizmos, but they do not have the right to buy more democracy than anyone else. That public services, when privatized, serve only those who can afford them and weaken the sense that we all rise and fall together as "one nation, indivisible." That concentration in the production of goods may sometimes be useful and efficient, but monopoly over the dissemination of ideas is evil. That prosperity requires good wages and benefits for workers. And that our nation can no more survive as half democracy and half oligarchy than it could survive "half slave and half free" – and that keeping it from becoming all oligarchy is steady work – our work.

Ideas have power – as long as they are not frozen in doctrine. But ideas need legs. The eight-hour day, the minimum wage, the conservation of natural resources and the protection of our air, water, and land, women's rights and civil rights, free trade unions, Social Security and a civil service based on merit – all these were launched as citizen's movements and won the endorsement of the political class only after long struggles and in the face of bitter opposition and sneering attacks. It's just a fact: Democracy doesn't work without citizen activism and participation, starting at the community. Trickle down politics doesn't work much better than trickle down economics. It's also

a fact that civilization happens because we don't leave things to other people. What's right and good doesn't come naturally. You have to stand up and fight for it – as if the cause depends on you, because it does. Allow yourself that conceit - to believe that the flame of democracy will never go out as long as there's one candle in your hand.

So go for it. Never mind the odds. Remember what the progressives faced. Karl Rove isn't tougher than Mark Hanna was in his time and a hundred years from now some historian will be wondering how it was that Norquist and Company got away with it as long as they did – how they waged war almost unopposed on the infrastructure of social justice, on the arrangements that make life fair, on the mutual rights and responsibilities that offer opportunity, civil liberties, and a decent standard of living to the least among us.

"Democracy is not a lie" – I first learned that from Henry Demarest Lloyd, the progressive journalist whose book, "Wealth against Commonwealth," laid open the Standard trust a century ago. Lloyd came to the conclusion to "Regenerate the individual is a half truth. The reorganization of the society which he makes and which makes him is the other part. The love of liberty *became* liberty in America by clothing itself in the complicated group of strengths known as the government of the United States." And it was then he said: "Democracy is not a lie. There live in the body of the commonality unexhausted virtue and the ever-refreshed strength which can rise equal to any problems of progress. In the hope of tapping some reserve of their power of self-help," he said, "this story is told to to the American people."

## Chapter 3

### **Democrats And Progressives Go On The Left. Republicans And Conservatives Go On The Right. Libertarians Go On The Right.**

I continue with my personal view of the modern political spectrum. **Democrats are to the left of republicans. Progressives go on the left. Conservatives go on the right.** To conserve is to to keep things the way they are, or to preserve the status quo. To me that is the opposite of progressive, or to seek progress.

To believe in progress, the idea that things change for the better over time, is not a universally held belief across cultures. It is a western philosophical idea closely associated with Christianity. Some eastern cultures in particular believe that everything stays the same. Conservatism in the United States today is code for fiscal conservatism, small government, demand side economics, and cultural conservatism which is the opposite of a tolerant liberal. Conservatives are intolerant on social issues that liberals call wedge issues like abortion, homosexuality, and gun control.

Here is a definition of a conservative republican that I pulled from Wikipedia to show just how easy it is to get information on this subject. Online sources can be unreliable, but they are easy to corroborate due to the sheer volume of information available.

**Conservatism in the United States** has played an important role in American politics since the 1950s.

1. Historian Gregory Schneider identifies several constants in American conservatism: respect for tradition, support of republicanism, preservation of "the rule of law and the Christian religion", and a defense of "Western civilization from the challenges of modernist culture and totalitarian governments.

2. The history of American conservatism has been marked by tensions and competing ideologies. Economic conservatives and libertarians favor small government, low taxes, limited regulation, and free enterprise. Social conservatives see traditional social values as threatened by secularism, so they support school prayer and oppose abortion and homosexuality.

3. Neoconservatives want to expand American ideals throughout the world and show a strong support for Israel.

4. Paleoconservatives, in opposition to multiculturalism, press for restrictions on immigration.

5. Most conservatives prefer Republicans over Democrats, and most factions favor a strong foreign policy, a strong military, and strong support for Israel. The conservative movement of the 1950s attempted to bring together these divergent strands, stressing the need for unity to prevent the spread of "Godless Communism".



Libertarians are a special case. They oppose the republicans on a number of core issues like defense (libertarians are doves and try to avoid war), but their belief in the smallest government possible puts them on the right. They sound progressive on many issues, but they vote with the republicans in congress. Libertarian bankers like Alan Greenspan want no government regulation of the banks, were responsible for deregulating them (repealing the Glass-Steagall Act), and were principally responsible for the mortgage lending crisis that started the great recession. President Clinton signed the deregulation bill, but it was republican legislation, and his biggest mistake as president.

Glass-Steagall was passed after the depression of 1929 to prevent another one. It separated investment banking from consumer banking. When we repealed it, we stimulated another potential depression that exploded under President Bush. President Obama blunted it by government intervention and turned the Bush depression into the Bush recession. I don't agree with everything he did, but he did stop the bleeding. At the time of this writing, Glass-Steagall has not yet been restored. The same republicans that demanded a government fix for the banks are now criticizing President Obama for doing it. Libertarian economics is what Glass-Steagall was designed to protect us from. Libertarians want a tiny government with no regulation of the banks.

Libertarians are slick. Their fiscal policy favors the rich, but they attract working people by being liberal on personal issues. They are for legalizing drugs and prostitution. They are against the oil wars. They sound interesting until you find out they are also for abolishing social security, medicare, medicaid, etc.

To me **Libertarians are Fascists in a Trojan Horse**. The fascists in Italy and Germany used a strategy of simultaneously preaching socialism to the left and fascism to the right. Once they got in power, they dumped the working class left. That's why the Nazis were called National Socialists. Half

of them were socialists, but Hitler purged them with death squads after taking power. I think the libertarians use the same strategy as the fascists. They attract the extremes of the right and the left to get elected, but they could easily drop the left after gaining power. Note that this strategy only works when voters do not know the political left from the right. If voters see the contradictions in libertarian policy, they don't get fooled.

Here is a definition of a libertarian from the net. This is from About.com.

### Libertarian

1. One who believes that the only legitimate purpose of a government is to protect the rights of its citizens.
2. Anyone who supports civil liberties to a greater than average degree.
3. Anyone who believes in minimal decentralized government.
4. When the word "Libertarian" is capitalized, it generally refers to a member of the libertarian Party.

This is from the Libertarian Party website. They would abolish Social Security and the income tax. People are supposed to save up enough money on their own to retire. Notice that all their policy positions favor the very rich. If you get hurt on the job or get too old to be a bricklayer, you can beg for charity. Libertarians go on the right. Here is their retirement plan.

### **Retirement and Income Security**

Retirement planning is the responsibility of the individual, not the government. Libertarians would phase out the current government-sponsored Social Security system and transition to a private voluntary system. The proper and most effective source of help for the poor is the voluntary efforts of private groups and individuals. We believe members of society will become more charitable and civil society will be strengthened as government reduces its activity in this realm.

There you go. That is what the libertarians want you to retire on, charity. I should not have to say another word.

## Chapter 4

**Socialists Go On The Left.** I start by quoting Einstein.

"I am convinced there is only one way to eliminate (the) grave evils (of capitalism), namely through the establishment of a socialist economy, accompanied by an educational system which would be oriented toward social goals. In such an economy, the means of production are owned by society itself and are utilized in a planned fashion. A planned economy, which adjusts production to the needs of the community, would distribute the work to be done among all those able to work and would guarantee a livelihood to every man, woman, and child. The education of the individual, in addition to promoting his own innate abilities, would attempt to develop in him a sense of responsibility for his fellow-men in place of the glorification of power and success in our present society."

—Albert Einstein, *Why Socialism?*, 1949

Now for more of a definition. This is also from Wikipedia. Anyone can find this information in seconds. There is no excuse for political illiteracy anymore. Wikipedia is not the final authority, but it's a good place to start.

There are many variations of socialism and as such there is no single definition encapsulating all of socialism. However there have been common elements

identified by scholars. 53 Angelo S. Rappoport in his *Dictionary of Socialism* (1924) analyzed forty definitions of socialism to conclude that common elements of socialism include: general criticisms of the social effects of private ownership and control of capital - as being the cause of poverty, low wages, unemployment, economic and social inequality, and a lack of economic security; a general view that the solution to these problems is a form of collective control over the means of production, distribution and exchange (the degree and means of control vary amongst socialist movements); agreement that the outcome of this collective control should be a society based upon social justice, including social equality, economic protection of people, and should provide a more satisfying life for most people. 54 Bhikhu Parekh in *The Concepts of Socialism* (1975) identifies four core principles of socialism and particularly socialist society: sociality, social responsibility, cooperation, and planning. 55 Michael Freeden in his study *Ideologies and Political Theory* (1996) states that all socialists share five themes: the first is that socialism posits that society is more than a mere collection of individuals; second, that it considers human welfare a desirable objective; third, that it considers humans by nature to be active and productive; fourth, it holds the belief of human equality; and fifth, that history is progressive and will create positive change on the condition that humans work to achieve such change.

You might want to read that again. This definition is not what Americans think of when they hear the word socialism. They think of a Communist dictatorship. Socialism can exist in a democracy, or a

dictatorship, but the propaganda machine has conditioned people to see a mental picture of Stalin when they think of socialism. More on this later.

It is fair to associate socialism with big government. The government must be stronger than private sector corporations, or the government will be controlled by them, and that is fascism. I am not afraid of a strong central government. Socialism involves a planned economy. First you decide what you need, and then you produce it efficiently. It's a myth that government is less efficient than private sector "free market" capitalism. Suppose ten companies produce a product and the consumer picks number three. The other nine will go belly up. That is the definition of inefficiency. In a competitive system you make ten times more stuff than you need and waste 90% of the resources. Cooperation and a planned economy go on the left. Competition and fascism go on the right, even though there is no real competition under fascism. Right wing politicians always preach competition, but they actually seek a monopoly.

In a cooperative, planned economy you plan in reverse. In "free market" capitalism you throw money at a need from all angles and hope you hit the target. In a planned economy you guarantee the result first, and then work backwards to rationally select the minimum amount of resources required to fill the need. The key word is rational.

Firewall Economics does not call for a totally planned economy, but a planned economy does work better for providing the basic desperate necessities of life. Markets for food, shelter, consumer energy, health care, education, etc, should be restricted to public sector, supervised, cooperative, planned, nonprofit production.

Let's walk through a market. We start by setting goals and priorities. Every citizen must have a doctor. We designate medical care as a top priority. **First we cover everybody, and then we figure out how to pay for it.** It might be expensive, but we do it in that order because it's that important. After everybody has a doctor, then we go to lower priorities. After we spend all that cash on the doc, we may or may not be able to afford another trip to the moon. If we don't have the money, we skip the moon mission because the doc is more important. Notice that this is exactly the way we do our family budgeting. When we select medical coverage for our kids, first we cover

everybody, and then we find a way to pay for it. Necessities are that important.

Planning is efficient. Private sector competition with no rules is not. Before the Affordable Care Act, we spent twice as much as other comparable countries on health care, and a third of us were not covered because the private sector profiteers took 25% off the top for administrative costs. Republicans who opposed the ACA are the same republicans that tell you the public sector is an inefficient bureaucracy. Social Security is in the public sector. The administrative overhead cost of Social Security is about 2%.

During World War Two we switched to a planned economy for a reason. We couldn't afford to build ten planes by ten firms, pick one, and throw the rest away. The government first decided what they needed the plane to do, and then they assigned a firm or two to build it. Welcome to socialism. The planned economy won the war.

If we had a planned economy for oil, the first thing we would do is set the price of gas where the working class could afford it. If we saw a shortage at that price we would ration it like we did in the war. Maybe the oligarchs wouldn't get any fuel for their ski boats, but nurses would get enough to get to work. We wouldn't have to ration all of it, just enough to keep the price under moderate control.

Prioritizing is efficient. Imagine if we were at war with no rationing or price controls on gas. Rich people would be skiing on the lake, and the machinist who builds fighter planes couldn't get to work. Cooperative planning through the public sector works well for desperate necessities, and also for emergency situations, like wars and natural disasters.

The Army is a high priority. That's why it's structured like socialism. It's a government run, planned, operation. First they decide what every soldier needs, and then they figure out how to pay for it. Every GI must have free health care. Ammunition is free. The pension is 20 years service to get half pay for life at retirement. It is a defined benefit pension, not a 401k.

Battles are the result of central planning too. Individual platoons don't set their own goals and objectives. When something is very important, like winning a war, a planned operation works best. If you want to see a bureaucracy then go in the army, but notice that it's more efficient that way,

not less.

Americans are very susceptible to republican spin doctors when it comes to anything involving the public sector. People who can't afford medical coverage will still oppose a government program to get them covered. Retired people have been caught on camera saying "Don't let the government mess with my Medicare." They don't realize that most of the government aid goes to private sector corporations. We cut welfare a few years back, but the oil companies still get big bucks from Uncle Sam.

Government is better at some things and worse at others. Health care and pensions should not be provided by employers. If all of our pensions and health care services were provided by the public sector, then small business owners AND workers would benefit, but big corporations who compete with small business owners for the best employees would get a haircut. You can't change jobs whenever you want if your retirement and health care are being held hostage by a giant corporation.

Small business owners get crushed by benefit costs. Ever wonder why big companies don't want to be relieved of the responsibility of providing benefits. Small business owners can't compete against giant corporations who can provide benefits at lower costs by purchasing benefits on a larger scale. Many corporations actually insure their employees with health care companies that they own themselves, and use the leverage to trade benefit cost increases for wage increases at contract time. The feds could also negotiate worker benefits from scale, and if the feds managed your benefits, you could work wherever you wanted, and even take a risk and start your own small business.

This is just one example. The public sector is just better at some things. We can use democracy to assign certain things to the public sector, and let the private sector produce all the other things. We already do this. We have a mixed economy now. What I propose is that we do it in a rational and democratic way. The public sector goes on the left. That's not the bad side, it's just the cooperative side, where profit does not come first.



## Chapter 5

### **Capitalism Goes On The Right.**

Everybody thinks they know what capitalism is. People who work paycheck to paycheck think they are capitalists, not just in the philosophical sense, where they favor a system of capitalism over something else, but in the sense that they believe they make a living by doing capitalism. A capitalist is a person who has so much money that he can make a living from loaning surplus money out and collecting interest. That is what a lot of reasonable people call unearned income.

You have to have capital, surplus money, to make money directly from capitalism. Only the very rich can do that. You could have a million dollars invested in your small business, but not have one dime of capital that is available to loan out. I grew up around farmers who owned land that was worth a million dollars on paper, but they were not people who made money by collecting interest.

The propaganda is effective here. Capitalism is not the same thing as Freedom, Mom, Dad, Apple Pie, or even Free Enterprise. Say something bad about capitalism and people imagine their parents getting dragged off to a Soviet labor camp.

The propaganda is thick because wealthy capitalists don't want the 99% to find out that: 1. They are not really capitalists, and 2. There is an **ADVERSARIAL RELATIONSHIP BETWEEN LABOR AND CAPITAL**. What's good for the big corporations is not always good for the working class.

I know it was Marx that said that. So what. He got a lot of things wrong, but he nailed that one. When wages go up, profits go down. All rich republicans know that Marx was right about the adversarial relationship. You can tell by what they do, not by what they say. They say that there is no class war. When they act, they act as if there is. They break unions and try to raise

profits by holding wages as low as possible. If they really believed the myth that *A rising tide lifts all boats*, they would raise wages and expect the happy workers to be more productive. Rich people believe that Marx was right. This is a key point. Once you understand that a rising tide does not lift all boats, you become immune from most of the trickle down spin.

All the money that the super rich spend on propaganda should be proof that they have something to hide. It's hard to keep the chickens voting for Colonel Sanders. FE doesn't call for putting much of a dent in capitalism, but FE might be rejected by the 1% because they assume that any degree of compromise is slippery slope. They are mistaken. The way to preserve capitalism is to implement some modest reforms before there are food riots in the streets. This is old news, but the rich in America refuse to compromise in any way.

Here is a definition of capitalism from my Webster's Dictionary.

**Capitalism goes on the right.** It's not the bad side. It's just the competitive side. It's good for some things, but not necessities.

An economic system characterized by private or corporate ownership of capital goods, by investments that are determined by private decision, and by prices, production, and the distribution of goods that are determined mainly by competition in a free market.

That sounds pretty tame, but it's not. When low income people compete for desperate necessities, it's a race to the bottom. There is no free market when the buyer can't refuse to buy. Corporations don't have feelings. Thom Hartmann is right to say that if corporations were really people, they would be sociopaths. Real people can't look a customer in the face and squeeze them for every cent they can get when the customer can't refuse to buy. A local banker that has kids in the same school as your kids is not going to sell you a bad mortgage, that she knows you can't afford, so that she can place a bet on the bond market that pays off when you fail to make the payments.

Corporations are owned by stockholders that never go face to face with customers. When two corporations compete, they act like two sociopaths

fighting over who can be more ruthless and cruel. Conservatives and libertarians argue for no regulation of corporations. That's like giving knives to a couple of sociopaths in a fist fight. It doesn't benefit anybody, not even the sociopaths. Rules don't make a competition worse, they make it better.

Imagine a basketball game where the referee can't call any fouls. Does that make the game better or worse? And while we are here, I want you to imagine a basketball league where they don't reset the score to zero-zero when you start a new game. If the first game of the season ended 45 to 74, then you have to start the new game by putting those points back up on the scoreboard. By mid-season lots of teams would be so far behind that they would stop hustling up and down the court.

Now imagine that we never put any scores back to zero. You have to start with your parent's score. Some people would be born into a game with a score that was so far behind that they would think it impossible to ever catch up. They probably wouldn't hustle on the court, and then the coach of the leading team would tell reporters that the other team is behind because they won't hustle. The whole thing would make for a lousy game. Even the leading team would stop hustling because they would not be pressed.

Upward social mobility helps competition, but the republican party votes against anything that promotes it. If everyone had equal access to the things that help them climb the ladder, like college, then the quality of competition in the labor market would improve. Every proposal that makes college cheaper and more accessible to first generation students gets opposed by republicans.

Scholarships got turned into loans under the republicans because rich people do not want the children of the poor to go to college and expose the myth that it's the smartest kids who get degrees. It's not the smartest kids who get degrees, it's the kids who have parents with money. The best predictor of how far a student will advance in school is the income level of the parents. Rich parents have a big advantage when tuition gets expensive. Their kids get into schools they would never get into if it was all about how bright they are. Rich people SAY positive things about competition, but they ACT like it's to be avoided when it hits home.

Competitive capitalism does some things well, and some things not so

well. Extreme capitalism with no regulation is a disaster, even for the capitalists. BUT, it is also possible to have TOO many rules.

Back to basketball. Suppose the short guys get more points than the taller guys for the same number of buckets outside the three point line. Suppose they make up a formula based on the height of each individual to completely equalize every player in relation to the height of the others. According to the formula, a player 5'9" gets say 2.7 points per basket and a 6'2" player gets 2.1. The game would be so complex that the quality of the competition would suffer.

Sporting events evolve to a balance between too many rules and no rules. There is also an optimum balance between the level of competition and cooperation in an economic system. The trick is to be rational about the balancing. Opposites cancel each other out. FE balances the two opposites by restricting market competition to all goods and services that do NOT involve Desperate Human Necessities. It seems like a common sense proposal, but corporations don't make sense, they make money. Expect misunderstanding.

## Chapter 6

**Now It Gets A Little Tricky.  
Communism Goes On The Extreme Left.  
Fascism Goes On The Extreme Right.  
Extreme Because There Is No Democracy.**

Socialism can exist with or without democracy. Here is my take on that. When democracy is present, socialism goes on the left, and capitalism goes on the right. When democracy is not present, communism goes on the extreme left, and fascism goes on the extreme right. This is important to understand because the propaganda machine makes people believe that communism and socialism are the same thing. You can have, or not have democracy, with both socialism and capitalism. Socialism without democracy is communism. Capitalism without democracy is fascism. Communism and fascism are extremes, and extremes are not good. I have a diagram coming up that makes it easier to visualize this.

There are democratic nations that have more socialism than capitalism, and they do very well. Norway is a good example. They have an excellent safety net and no dictator. Countries like Norway are great places to live, unless you are super rich. If you told a Norwegian that they would have to give up their free health care so that the rich would move back, well, they would say no. The fear of capital flight works here, but not there.

(I think the threat of capital flight in the US is a bluff. The rich threaten to take their money elsewhere if they are taxed, but the rich require the US military to protect their global markets)

When deciding what goes on the left, and what goes on the right, think of this mental picture. Draw a line from left to right with a balloon on each end. Write socialism on the left balloon and capitalism on the right balloon. The air inside the balloons is democracy. Now imagine yourself breaking the left balloon with pin. All the democracy runs out, and it turns into communism. Now pop the capitalism balloon on the right. All the democracy

runs out, and it turns into fascism. Communism is the most extreme left, and fascism is the most extreme right. What makes them extreme is the lack of democracy.

Websters.com defines communism.

1

**a:** a theory advocating elimination of private property

**b:** a system in which goods are owned in common and are available to all as needed

2

**capitalized a :** a doctrine based on revolutionary Marxian socialism and Marxism-Leninism that was the official ideology of the Union of Soviet Socialist Republics **b:** a totalitarian system of government in which a single authoritarian party controls state-owned means of production.

**(No Democracy) (----- Democracy ----- ) (No Democracy)**  
**LEFT Communism(Socialism-Center-Capitalism)Fascism RIGHT**

There it is. Communism requires a totalitarian state. Socialism can happen in a democracy. Some utopian communists believe that communism can exist in a stateless society, but I can't imagine a stateless society. The part about no private property eludes me. They can not mean all private property. What about personal property. Maybe real estate can be all public, but not a toothbrush.

Even the Soviet Union had a mixture of private property and public property, just like we do. They had more public property than we do, and probably way too much, but every economy has a mixture of both. Communism goes on the left, the extreme left, but it's not the same thing as democratic socialism.

Now for fascism. Fascism goes on the extreme right, way over there in the Hitler and Mussolini zone. Both the extreme left communists and the extreme right fascists are totalitarians. There can be no democracy in fascism.

### **Definition of FASCISM**

1

often capitalized : a political philosophy, movement, or regime (as that of the Fascist) that exalts nation and often race above the individual and that stands for a centralized autocratic government headed by a dictatorial leader, severe economic and social regimentation, and forcible suppression of opposition

2

: a tendency toward or actual exercise of strong autocratic or dictatorial control <early instances of army fascism and brutality — J. W. Aldridge>

That definition doesn't quite do it for me. There is something more to fascism than regimentation and a totalitarian state. Fascism involves the domination of the government by super wealthy industrialists, big corporations, etc. They also need to have control of the military to pull it off.

Fascism is a personal issue with me because the Nazis were fascists. My grandfather was wounded at the Battle Of The Bulge in WWII. He died of his wounds in a German concentration camp a month later. My father taught us to hate fascism, and to be on guard, as it could happen in any country under the right (or wrong) circumstances.

I saw no signs of impending fascism growing up in the 1960s. Some people did, but the progressive political atmosphere reassured me that the fascists were not going to be able to sneak up on my American paradise. I did not understand political cycles at the time. I was sure the US would get more progressive every year.

We got Reagan in 1980, and we started shifting to the right. I was

shocked. I thought he would be a one term president, and we would return to the center left. He started doing and saying things that put up red flags for a fascist watcher like me. I didn't know that we were in for 30 years of gradually moving to the far right. I think it's over now, but we have lost more than we can ever regain in my lifetime. The best way to boil a frog is to put it in cold water and turn up the heat a little at a time.

Here are some **warning signs of impending fascism**. You will notice that most of them have been an issue in one way or another over the past few decades. After 9/11, I could almost anticipate grandma getting strip searched at the airport. Here we go.

### **Notes on the Nature and Characteristics of Fascism**

Claude Bélanger,  
Department of History,  
Marianopolis College.

Fascism is above all a state of mind, an ideology, which admits of an infinite variety of forms. Not all fascist movements share equally in all of its characteristics; however, despite some differences, they recognize their affinities and support one another across state boundaries.

Core principles of fascism: virulent anti-Marxism (true fascism cannot really be found where the threat of communism is not perceived as strong), allied to profound disgust for liberal democracy (judged corrupt, inefficient, divisive, promoting selfish interests and failing to promote true values), as well as nationalism.

- Fascism is reaction (defines itself through reaction to something else): against those that have debased the nation, those that disunite it, that cannot defend it against its enemies. It is



further a reaction to Marxism and to Liberal democracy.

- In fascism, the enemies of the nation are old corrupt politicians, foreigners, especially Jews, communism (promoted by Jews).
- Exaltation of force, strength, violence: slogans, symbols, costumes, insignias, military. Promotes discipline, sacrifice, blind obedience to the leader.
- Fascism is revolution: the revolutionary vocabulary is continually used.
- Fascism is often an ideology of the young or seeking to promote a youthful image; “bravade de jeunesse”, refusal to conform, displaying easily a lack of respect for others, especially for the older generation.
- Glorification of the past (before the debasement of the nation); past seen as glorious, source of inspiration for the present.
- Statism: the state is the epicentre of the nation, its creation, its tool.
- “Culte du chef” (cult of the leader) : The leader is the embodiment of the nation, of its will, and of the state. He must be obeyed without question.
- To the class struggle proposed by Marxists, or the selfish interests promoted by liberal capitalism, fascists promote the necessity to impose the “national will” on all.
- Rejection of the principles coming out of the French Revolution: especially the liberal values of the primacy of the individual, and of its rights, and of fraternity. To the liberal idea that the state exists to protect the individual, they oppose the

idea of the individual serving the nation, the state and its leader.

- Organization of the state around corporatism (state corporatism)
- Fascists often claim to have a social character (such as national socialism) and some of the fascist leaders have come from the left.

Some fascists appear to come from the left. This phenomenon is becoming an obsession with me. Sometimes when I advocate for the nationalization of banking and energy, I get a response from someone who has a negative gut response to nationalization because they associate it with totalitarianism, either from the extreme right fascists, or the extreme left communists. This strikes me as an attempt to rewrite history. The republicans are doing a lot of that now. The spin machine has propaganda think tanks working around the clock, and I wonder if progressive history professors have been pushed aside.

If you read *The Rise and Fall of the Third Reich* by William Shirer, or any of the other historical books about the rise of the Nazis that were written before the Reagan wave hit in 1980, you come away with a clear understanding that the fascists were the definition of the extreme right.

I'm watching a film right now called **Nietzsche and the Nazis** by Professor Stephen Hicks. The first part of the film made the Nazis sound like classical socialists. His treatment missed the fact that there were essentially two factions in the party, one socialist (left), and one from the extreme right, that was backed by rich industrialists who were not supportive of unions and labor interests. The split ended when Hitler violently purged the socialist faction and sided with the rich industrialists. The working class got suckered. The Nazis talked like socialists to get elected, and then turned on the workers/left after getting power. Lots of leftists were murdered.

This is very important. If you watch the first part of that film you come

away feeling confused about what is left and what is right. You feel like the Nazis came from the left. Here we are at a time when the republican 30 year wave has played out, left us financially, culturally, and morally devastated, with the republicans about ready to be exposed for what they are, fascism light, and then here comes the right wing spin machine to rewrite history and get low information voters to associate fascism with left wing socialism, it's opposite.

The German fascists did call themselves national socialists, but the socialist part got executed in the purge. The film shows us parts of the Nazi platform that sound like Marx. They also say a little bit about how the fascists hated Marx, but only a little. We should not assign the Nazis to the left or the right of the political spectrum by what they said. We assign them by what they did.

They said they hated capitalism, but they purged the socialists and got into bed with the rich industrial capitalists at the expense of the working class. Fascism goes on the right. Socialism goes on the left. **Once you become aware that the republican strategy in the US is to confuse the left and right, you will start to see through this kind of Orwellian spin.**

Mussolini (The original Fascist in Italy before Hitler) actually started out as a socialist, but betrayed the working class left after he achieved power. I *read* the National Socialist Party as the left/right party. The name tells me that the movement thinks I can be fooled by claiming that they are all things to all people. They assume I don't believe that there is an adversarial relationship between labor and capital, workers and owners, the left and the right. Once I know that there is an adversarial relationship, and I can recognize an attempt to conceal it, I am immune from attempts to fool me into voting against my own economic interest. And since there are way more workers than owners, if nobody got fooled, the left would win every election.

Appeals to **trickle down economics** are the most common kind of pitch involving an assumption that the workers being targeted still believe that an adversarial relationship does NOT exist between the investor class and the rest of us. Once you get past this myth, you develop a trickle down detector. It gets better with more and more practice.

Lots of right wing spin tricks are just more trickle down pitches, but

they can be disguised as something else. **Test them by asking yourself if the pitch depends on a belief that what's good for the fat cats is also good for everybody else.** Watch a republican primary debate. If your trickle down detector is not going off every ten seconds then you need to recalibrate it. Remember, all the historical evidence proves that **“It don't trickle down, it goes up, and it don't trickle.”**

## Chapter 7

### **Adam Smith Goes On The Right. John Maynard Keynes Goes On The Left.**

Both of these economists were capitalists. Smith goes on the right with a top down, supply side approach. Keynes goes on the left with a bottom up, demand side approach. Most of the classic arguments you hear between the republicans and the democrats can be reduced to this division. President Franklin Roosevelt, was more Keynesian. Republicans think Adam Smith is God. They won't listen to any argument that rejects anything *that they think* Adam Smith said. (If you read the actual text written by Smith he seems to be less radical than the conservative economists of today)

Once you can differentiate a Keynesian pitch from a classical, republican, trickle down pitch that republicans attribute to Adam Smith, you are immune from almost all the spin. Firewall Economics puts a firewall between demand side and supply side interventions because they cancel each other out. I propose demand side Keynesian interventions for desperate necessities.

(Republicans can be hypocritical on Keynes. The Bush bank bailout that they asked for and got was Keynesian, and so was the stimulus from the fed. They benefited greatly by the stimulus, but they condemn it when campaigning or spinning the news)

I found these brief descriptions of Adam Smith versus Keynesian economics on a website called ehow. Smith is basically what people think of when they think of economics 101, almost like there is no other economist except him, and they usually consider the things he believed to be absolute truths.

When someone disagrees with Firewall Economics, and sends me an email, they frequently say something like, "That won't work. Stuff trickles

down. That's Economics 101.” Economics 101 doesn't go very far beyond the trickle down myth. Most people never take an economics course, but if they do, it's probably introductory economics for non-majors, and they rarely get past the “Invisible Hand” premise of Smith. The Invisible Hand implies that markets are self-regulating, but anyone who reads history should conclude that they are not.

## Classical Theory of Economics

By Shane Hall, eHow Contributor

The classical theory of economics, which dominated in the 18th and early 19th centuries, laid the foundation for much of modern economics. Sometimes referred to as laissez faire economics, classical theory emphasized growth, free trade, and competition, as free from government regulation as possible. Under classical thought, when individuals pursue their own interest, society as a whole benefits.

- Famous Ties
- Key classical economists include Adam Smith, author of the "The Wealth of Nations," David Ricardo and John Stuart Mill.

### Features

- Classical economic theory argues for the self-regulating market. Under this viewpoint, the concern for profit ensures that society's resources are used in the most beneficial manner, without direction by government.

### Benefits

- Under classical economics, the self-regulating market transforms a seemingly chaotic process of buying and

selling among consumers and producers into an orderly system of transactions that meets individual needs and increases national wealth.

#### Role of Government

- Under classical economics, the role of government is to provide national defense, a system of justice that includes enforcement of contracts and a system of public works, including infrastructure and education.

#### Influences

- Classical economics gave rise to neoclassical economic thought in the late 19th century. Neoclassical built on Classical ideas, giving them greater mathematical support and precision.

That is a simple but clear description of Smith. Firewall Economics involves keeping the supply side economists away from markets for desperate necessities. Keynes does a better job with necessities, especially in emergency situations. He came out of the Great Depression. When the market crashed in 1929, the republicans were against government intervention to provide an economic stimulus. They said that everything would work itself out in the long run. Keynes said, “In the long run we are all dead.”

FDR used Keynesian economics (deficit spending-inflation/printing money-jobs created directly by the public sector) to pull us out of the depression. It started to work, he backed it off in about the third year, things got worse again, he turned it back up, things got better again, and then WWII started.

During WWII we had a totally planned economy, exactly the kind that republicans claim to hate, and it made a lot of them rich. If you can distinguish a trickle down economic pitch from a Keynesian bottom up pitch, you can see that all the republican arguments against the things that President Obama did, to get us out of the recession, are the same objections that the republicans had to FDR.

President Obama was trying to prime the pump, and the republicans were calling for more trickle down. The republicans are still appealing to “The Invisible Hand” of Adam Smith, even after Alan Greenspan admitted to congress, in an investigation over the mortgage meltdown, that he was wrong to believe that markets will self-regulate without government oversight.

After the Great Depression we put regulations on the banks to prevent another one. (The Glass-Steagall Act.) President Clinton let the republicans have what they always wanted. He killed Glass-Steagall, and that led to another financial crisis. Keynesian economics is what republicans say they have been trying to drive into permanent extinction since 1980.

Sometimes they like Keynes, but they never admit it. Republican GW Bush started the bank bailout that was pure Keynes. After Obama continued it, they hated Keynes again. Here is a definition of Keynesian economics from the same website.

### The Economics of Keynes

By Rebekah Richards, eHow Contributor

The 20th-century British economist John Maynard Keynes developed a theory of macroeconomics called Keynesian economics. Keynesian economics doubts that the free market can always achieve efficient outcomes and therefore advocates active government involvement.

- History
- Keynes published "The General Theory of Employment, Interest and Money" in 1936, during the Great Depression. His economic ideas prevailed after World War II, especially in the 1960s, according to The Economist. In the 1970s, however, Keynesian economics were criticized for causing inflation.

#### Features

- Keynesian economists believe that changes in



aggregate demand affect output and unemployment more than they affect prices, according to the Library of Economics and Liberty. Since prices and wages adjust slowly to changes in demand and supply, labor shortages and surpluses inevitably occur.

Once you can differentiate a Keynesian pitch from a pitch for trickle down economics, you start to learn the code. For example, “**Job Creators**” is a dead giveaway for a trickle down pitch. You notice that it always comes from a republican spin doctor, and you make the leap to when Herbert Hoover said the same things about FDR.

There should be no need to go through this stuff again because these issues were settled long ago. Today, when the republicans accuse the president of “**Class Warfare**”, because he wants the rich to pay taxes, that's code for an appeal to the economics of Adam Smith. “**Cutting Spending and Balanced Budget**” are too. (Note: The biggest deficits were run up by republicans and the biggest deficit reductions came under Clinton and Obama)

“**Big Government**” is code for trickle down. Even though we have already cut the size of government to a historically low level, and it made us more vulnerable to the Bush recession, the republicans still sound like Adam Smith. They are not afraid to repeat these things because they assume that most people do not know the history, and what they do know has been twisted by the propaganda machine.

Over time you will see the patterns and learn to identify old pitches with slick new names. Sunlight is the best disinfectant, but I would like to add that the internet is a pretty good BS repellent if you use it right. I believe that everybody will be developing trickle down detectors now, and no republican pitch can survive after people stop believing the myth. It's hard for me to understand how anybody could ever buy a plan that essentially says, “Give the rich all the money and they will give some of it back.”

We shouldn't have needed it, but now we have historical proof that if you lower taxes on the rich, they don't make jobs with the extra money. They bank it.

When you RAISE taxes on the rich, they DO create jobs, because they need the deductions. **High tax rates motivate the rich to keep their money in circulation.** Low tax rates allow them to declare the money as income, pay a small tax, and bank it. My father explained it that way when I was a kid, and we now have concrete proof that he was right.

The fact that people like him could know that and still vote republican is fascinating to me. He has no idea that what he said is a refutation of the trickle down theory that he believes in. Inconsistent reasoning is essential to the spin doctors. This book is about **consistent reasoning**. A billion dollars in television ads would be useless without inconsistent reasoning.

## Chapter 8

**Labor, Most Workers, People Who Work For Wages, And The 99%, All Go On The Left.**

**Management, Corporate CEO's, Super Rich People Who Own Stock, And The 1%, All Go On The Right.**

**I'm not saying that all workers are leftists. I'm saying that labor is to the left of management.** Every federal law that was ever passed to help labor was opposed by management. The democrats write the bills in congress to help labor, and the republicans oppose them. This is not an opinion. It is a fact that is recorded in history. So how do the republicans spin this?

To be immune from the spin propaganda you have to be well grounded in a couple of basic premises that are essential to all right wing spin. All of the political screaming and yelling on the tube is really just both sides arguing over these core issues.

**1. There is an adversarial relationship between labor and capital. 2. Trickle down economics does not work.** The left contends that these two premises are true, and the right contends that they are false.

Yes people, Carl Marx wrote number one. He was wrong about a lot of things, but he was right about that. When wages go up at a company, profits to the owners go down. A rising tide does NOT lift all boats. **There are sides to this thing.** We ARE in a class war. It was started by the super rich. There is no "The Economy". When pundits say that the economy is in the tank, that is an oversimplification. The economy is bad for who? The 1% are doing very well right now, and labor is suffering.

I want to add a note about the adversarial relationship premise here. I am adding this during my final editing. An idea came to me yesterday that should be effective in blocking the propaganda. If you ask around you will probably find that most people do not believe that there is an adversarial relationship between labor and capital. BUT, they all know that there is an adversarial relationship between **buyers and sellers**.

When buyers pay more, sellers profit more. When buyers pay less, sellers profit less. Buyers and sellers COMPETE with each other. They do not COOPERATE. Workers SELL their labor to employers. Lower wages increase profits to employers. This is the same adversarial relationship that the republicans try to divert attention from. Think buyers and sellers.

Number two should be common knowledge by now, but it's not. Most people still fall for the trickle down scam. The republicans are masters at disguising it, but every republican economic campaign pitch contains the trickle down.

You have to train yourself to see through it. You should be able to pick it right up. Any pitch that involves giving money to the 1% with a promise that they will give some of it back is trickle down. Cutting taxes to the 1% is trickle down. Cutting federal regulations that make corporations meet standards for safety and good business practices is code for trickle down.

Every economic pitch from the republican party depends on you buying the trickle down scam. History proves that TD never works. Why do all the economists say it works? They all don't, but almost all the economists that they pay to go on TV spin shows preach trickle down.

The media IS owned by giant private sector corporations. There is no left wing bias in the media. There are a few progressive stations on cable and satellite, but the media advantage belongs to the right. Please hear me. This is so important. You have got to develop a trickle down detector and start using it regularly. This one thing can bring us all economic justice faster than the republicans can react to it.

Research these two premises for yourself, and apply them to all campaign spin promises. An adversarial relationship means that when one side gains, the other side loses. 1. Is there an adversarial relationship between

the wage earners and the owners of a corporation. If you decide that there is an adversarial relationship, then you are to the left of someone who believes that there is not one. 2. Does trickle down economics work? If you believe it doesn't work, then you are to the left of someone who thinks it does. That doesn't make you a leftist, it just means that you are to the left of someone who is still waiting for the trickle down to save us.

This is where I am tempted to show you the complete historical record of every piece of congressional legislation involving labor and workers rights. Every bill to help labor was opposed by the right. History proves that if you work for a paycheck and vote republican you are cutting your own throat.

To list every pro labor bill that has ever come up in congress, what happened to it, and which political party was for or against it would take another book. Several books like this have been written, and they all prove that the republican party is always against anything that helps workers. The republicans know that there is an adversarial relationship between labor and capital. When workers do better, profits go down. The latest book of this kind is a good one, and I recommend it for anyone who works for a paycheck.

The title is: *From The Folks Who Brought You The Weekend. A Short Illustrated History of Labor in the United States* by Priscilla Murolo and A.B. Chitty. It is an entertaining and easy read. It should be mandatory for high school students. They don't teach much labor history in high school for a reason. This is the stuff the republican party spends billions to keep students away from.

The republican propaganda spin machine is super sophisticated and grounded in the best scientific research. It's not just polls and imagination. They use cutting edge social psychology and even neurological brain scan experiments. They know how people become republicans, and how they stay republican even in the face of overwhelming evidence that they are voting against there own side in a class war.

More on this later, but basically the research shows that we get imprinted as a republican or a democrat based on what is going on around us in our early teens. We hardly ever change sides after that. Our brains are hard wired to talk us out of changing sides. We are not rational creatures that

carefully and fairly weigh both sides of a new issue and adjust our beliefs to the changing world. What we really do is find clever ways to convince ourselves that there is something wrong with new facts that contradict our beliefs. We are good at deluding ourselves that we were right all along.

The republicans know this. That's why they think they can do crazy things like oppose social security and fair taxation of the rich and still get elected. They wager that republicans would vote for Hitler before they would vote for a democrat.

They never try to change democrats into republicans. They just try to get all the republicans to turn out and vote. There are more democrats than republicans, but the democrats do not always turn out to vote like the republicans do. **A low voter turnout elects republicans.** A high voter turnout elects democrats. **PEOPLE WHO THINK THEY ARE PROTESTING AGAINST THE PRESENT POLITICAL SYSTEM BY REFUSING TO VOTE ARE ACTUALLY VOTING REPUBLICAN WHETHER THEY LIKE IT OR NOT.** Sorry about the caps. If I could just get this one idea out, the republicans would be toast.

Now, if the brain scan research is right, and people are not rational, and it's almost impossible to convince a republican redneck working man to change parties by confronting him with the voting history of the republican party, then why am I trying to do that.

I come from a long line of rednecks, and they are not stupid. The redneck stereotype is wrong. (Never mind the 1986 Ford F150 Step-side pickup in my yard that I'm going to restore that hasn't been started or moved for ten years) Rednecks have been double-crossed by the republicans, and when they find out about it, well, they are going to rock this country. **The working man goes on the left, not the right.**

Want proof that the right wing propaganda machine is powerful? They use **advertising firms**. The ad men sold us cigarettes, but that was nothing compared to convincing people who work for a paycheck that unions are bad for workers.

Back to the labor history book. Did you know that the practice of getting weekends off comes from the labor movement. I hope so. Here is a list of other stuff that the republicans fought against, lost, and are still trying

to reverse. This is a partial list of the accomplishments of the democratic party in general.

- 1) Democrats Fought for Social Security (F.D.R.)
- 2) Democrats Fought for Medicare (L.B.J.)
- 3) Democrats Fought for Medicaid (L.B.J.)
- 4) Democrats Fought for Welfare Benefits (F.D.R.)
- 5) Democrats Fought for Civil Rights (L.B.J.)
- 6) Democrats Fought for Unemployment Insurance (F.D.R.)
- 7) Democrats Fought for National Labor Relations Board (F.D.R.)
- 8) Democrats Fought for 8 Hour Work Day-5 Day Work Week-Work Place Breaks & Overtime Pay (F.D.R.)
- 9) Democrats Fought for Workers Compensation (Woodrow Wilson)
- 10) Democrats Fought for Americans with Disability Act (101st Democratic Congress - over G.H.W. Bush veto)
- 11) Democrats Fought for Holiday Pay (F.D.R.)
- 12) Democrats Fought for Medical Leave Act (Bill Clinton)
- 13) Democrats Fought for Prevention of Child Labor (F.D.R.)
- 14) Democrats Fought for Minimum Wage Act (F.D.R.)

- 15) Democrats Fought for Work Place Safety (OSHA) \*\*\* (During Nixon)
- 16) Democrats Fought for Affirmative Action as it relates to Racial Discrimination (J.F.K)
- 17) Democrats Fought for Rights of Women (L.B.J)
- 18) Democrats Fought for Tax Fairness (Platform Issue)
- 19) Democrats Fought for Veterans Pay & Benefits (F.D.R.)
- 20) Democrats Fought for Consumer Protection / Consumer Bill of Rights (J.F.K.)
- 21) Democrats Fought for Gun Law's / Background Checks to prevent felons from getting Weapons (L.B.J) (B. Clinton)
- 22) Democrats Fought for Credit Card Holders Bill of Rights (Barack Obama)
- 23) Democrats Fought for Funding Our Schools (L.B.J.)
- 24) Democrats Fought for Grants for low income people to attend college (L.B.J.)
- 25) Democrats Fought for Environmental Regulations - Clean Water Act / Clean Air Act (Democrats Override Nixon Veto)
- 26) Democrats Fought for Financial Regulations keeping Wall Street Wizards Accountable (Dodd/Frank – Obama)



27) Democrats Fought for Affordable Health Care for Everyone (Obama Care)

28) Democrats Fought for Hate Crime Legislation (Matthew Shepard) (Barack Obama)

29) Democrats Fought for Health Legislation for Children, for 11 Million Children without Health Care (Barack Obama)

30) Democrats Fought for Voting Rights Act (L.B.J)

31) Democrats Fought for National Voter Registration (Bill Clinton)

32) Democrats Fought for Largest Deficit Cutting Plan in History (Bill Clinton)

33) Democrats Fought for Clayton Anti-Trust Act (Woodrow Wilson)

34) Democrats Fought for Securities & Exchange Act (Franklin D. Roosevelt)

35) Democrats Fought for National School Lunch Program (Harry Truman)

### **CHECKLIST FOR DEMOCRATS**

1. Always vote.

2. Vote for the party, not the individual.

3. Don't vote for a party based on what they **say** they are for or against. Look at what they **do** when they are in office and how they actually vote in congress.
4. Don't get fooled and distracted from the core economic issues by falling for **Wedge Issue Tricks** like guns, gays, abortion, appeals to racism, flag waving, false wars on religion, appeals to the fear of immigrant minorities, and especially appeals to vague things that nobody is against like freedom, the good old USA, family values, moms, apple pie, baseball, etc. A candidate saying he likes “freedom” is hoping that you will assume his opponent is against it. They first covered that in my 5<sup>th</sup> grade class. I heard it all the way through school. People have got to be immune to this by now, but it's still the number one republican trick.

One more thing before I move on. For those of you who think it's a better strategy to vote for the individual, and not the party, that is a big republican tactic that really works. I'm not saying that you should ignore a candidate's character, but in reality, they all vote the party line. I like it that way, but even if you think that's bad, you have to realize that one individual can not control an entire nation.

Would you really want that? If you are a wage worker and you elect a republican that you think has exceptional character, he or she will still vote against labor issues because the republican party will force them to. If you vote for a democrat that cheats on his wife, he will still vote with the democrats on labor issues. You can vote for him, just don't let your daughter marry him.

Vote for the party, not the individual. This is not a race for high school student council. It's not a personality contest. Pay attention to what they **do** and how they **vote**, not what they **say**.

## CHAPTER 9

### **Competition Goes On The Right. Cooperation Goes On The Left.**

There is no better way to explain politics than this brief description. This is my favorite way to describe social policy. Social workers are asked a lot of the same questions by the people we serve, and we rarely have time for long philosophical discussions. It's not that working class people don't like to nurse an espresso and savor the classical problems of moral philosophy, or that they are unable to do so, the problem is time.

They struggle with the who, how, and why of being chewed on by modern capitalism, but they don't have the luxury of being able to take a summer seminar at the public college across town. They have to support the college with their tax dollars, but they see generations of their family pass into adult life without being able to enroll there, let alone graduate.

Social workers try to find ways of compressing complex ideas into small seeds that will grow slowly. We don't indoctrinate people, we answer questions, but there is a delicate balance between remaining completely politically neutral, and just saying something like: "Look, you are being eaten alive by the same people you are voting for. You actually identify with these people. That's why you hurt. Fight back and stop beating yourself up. Your economic situation will improve, and you will feel great about helping the rest of us who are being exploited too."

Social workers know we can't say things like that. It would sound like a fake preacher trying to shake somebody down. It's a delicate balance. People want answers, but these little nuggets of information can disrupt a person's core self image. People want quick explanations, but you have to take it slow and be oh so careful. You have to plant little idea seeds that people can toss around and test against everyday problems as they go by.

Framing these idea seeds is an art that old social workers teach young ones on the job, but the best seeds come from the people we serve. When somebody you have been talking to makes a big breakthrough on whatever life problem they have been fighting with, they really enjoy taking you step by step through the chain of ideas that got them to the answer they were searching for.

The competition versus cooperation seed is my favorite. If what I am about to say sounds like anthropological proof that progressive politics is dead on target, then you and I are on the same page. If you had to reduce all of the human condition to one simple idea that can fit in a paragraph, this is it.

Primitive man was very competitive and only a little bit cooperative. Modern man is still competitive, but somewhat more cooperative. Cooperation works. It has an evolutionary advantage. We are social animals. We evolve to be more cooperative and less competitive over time. A LONG TIME.

We are still way too competitive. It takes a long time to get cooperative because it is easier to knock down a house of cards than it is to build one. Competition has the advantage in the short run, but cooperation always comes back stronger because of the strength in numbers.

We are hard wired to be cooperative, AND we are hard wired to be competitive in an emergency. That makes the house of cards vulnerable to exploitation by fear. Everything goes well until somebody in the group gets scared about something, freaks out, goes into panic/competition mode, stomps on the guy next to him, and starts a chain reaction of fear. Cooperation in the group falls apart until the crisis passes, and then gets rebuilt a little stronger than before. A LITTLE. When the chain reaction of fear happens, well, we look like a bunch of scared rabbits running off in a wave of every man for himself. Cooperation evolves over competition, but very slowly. Ten steps forward and nine steps back.

We all get fed a steady diet of fear on the tube and everywhere else in the media. As long as we are in panic/competition mode, we can not cooperate with each other long enough to make the rich pay taxes. Republicans know all about the fear response. They funded the university

research that used brain imaging to see just how hard wired we are, and they fund the conservative think tanks that make a science out of how to keep us in the dark. They assume that the public will never understand the science.

The think tanks know how to exploit the fact that competition has the short term advantage, that it's easier to destroy than to build. They are always pulling one card from the house of cards, and they use fear to do it. Fear of communism. Fear of terrorists. Fear of immigrants. Fear of God, (Religious wedge issues). Fear of natural disasters.

Let me plug a book here. *CULTURE OF FEAR*, by Barry Glassner. They feed us a constant diet of fear for a reason. Turn on the tube for a few minutes and count the fear pitches. I'll do it myself right now.

NASA is getting it's funds cut because we are in a recession. We get a story that claims an asteroid could hit the earth at any time unless we do something about it.

The killer bees are migrating north, the honey bees that pollinate our food are disappearing from some mysterious disease, and we will all starve.

I'm not saying that these stories are false, just pumped up way out of proportion. And the commercials! OMG. "Have you taken this drug? If so you better get a lawyer because it HAS BEEN ASSOCIATED WITH cancer, heart attack, erectile dysfunction, blindness, and spontaneous combustion." Somebody chokes to death on a hot dog and we get a commercial like: "Have you eaten one of these. Consumption of these sausages HAS BEEN ASSOCIATED WITH DEATH!"

The 1% has the media. They own it. They have little labs and focus groups working all the time to invent new ways to scare us. They hook up volunteers to medical monitors, show them scary things, and look for the pitches that elicit the highest blood pressure. They know exactly how to pull our primal fear cords. I am not trying to scare you. I am trying to immunize you.

Just count the fear pitches as they go by on the tube, and compare the fear pitch to how statistically likely the thing is to happen. You can actually look this stuff up on line with a quick search. You can compare your odds of being hurt by a terrorist to your odds of being hit by lightning. An asteroid will hit us...in a billion years. Cubs going all the way? Less than a billion

years. Learn to fight off the fear pitches. They make you unhappy and keep you in panic/competition mode.

Pull forward, not backward. Pull against the primitive competition impulse and toward the cooperation impulse. Pulling forward goes on the left, and pulling backward goes on the right. Right wing conservative republicans are trying to turn back the evolutionary clock when they advocate for a MORE competitive society. **It is a myth that primitive man was less competitive, happier, greener, etc.** I like Rousseau, but he was wrong about the “**Noble Savage**”, and we have archeological evidence to prove it now.

All this talk about maximizing American individualism is a pull to the primitive side. Multinational corporations don't want to compete with groups of organized people who cooperate with each other for strength. (Unions) They want to compete with one individual at a time, even though corporations cooperate with each other to such an extreme that they violate monopoly and antitrust laws.

**Corporations have their own unions called trade associations** who set prices, wages, and even go on strike. They are on strike right now. They refuse to hire anybody or allow their cash to circulate in the economy until President Obama is gone. That's a strike from the top down. And what do they tell the workers to do in this crisis that they manufactured by striking, they tell us to pull backward, to a more competitive time. They want us to compete with each other more. They cooperate with each other and we push each other apart. There are two opposing sides to this conflict. Remember: 1. There IS an adversarial relationship between labor and capital. And 2. It don't trickle down. Now let me add 3. **Competition is primitive. Cooperation is progressive.**

One more example about competition. History shows that we become less competitive over time, and a good example is traffic law. Imagine turning the clock back to the invention of the automobile and the republicans and the democrats are fighting over how to deal with traffic in New York City.

IF they were to stick to the principles they claim to believe, the republicans would be against any traffic laws whatsoever. Let everybody work it out as they go along. Or how about some healthy competition: The

first car to reach the intersection has the right of way. Kids would race to the intersection and crash. I know that sounds ridiculous. Republicans would never apply small government principles to traffic, but they do so with money. Rules prevent chaos, in traffic AND money. Competition is bad for traffic, and bad for markets that deliver Desperate Human Necessities. Competition goes on the right, and cooperation goes on the left.

## Chapter 10

The Bible is a two edged sword, with justice on one side and mercy on the other. I can not remember where I heard that, but I was a young man and it has always resonated with me. **There must be a balance between mercy and justice. Mercy Goes On The Left, and Justice Goes On The Right.**

This is an excellent place to talk about moderation, the political center, and the danger of extremism on the right OR the left. It would not be fun to live in a community where anyone caught breaking any law was quickly convicted and punished by a minimum mandatory sentence. For example: A father is drinking beer and fishing with his daughter in the woods. His daughter has a heart attack. He drives her to town, but get's stopped by a police officer who makes him blow in the tube. He gets a DUI. Should his punishment be the same as 2 drunks drag racing in a school zone?

That is why we have judges who get to use discretion. Human behavior is more complicated than good/bad, heroic/evil etc. People who think that way, like religious fundamentalists in many different faiths, are, how should I put this, intellectually challenged. Get mad at me if you want, but it's true. It's primitive thinking. Give those people an IQ test and they score lower than someone who can see shades of gray in human behavior and moral philosophy.

People like that almost always go on the right, but extremism on the opposite end of the continuum is not good either. To forgive everything all the time is chaos. There can be too much mercy and not enough justice. The problem now is that bankers get too much mercy, and recreational drug users get too much justice. The same republican politicians that screamed, "Put the drug users in prison !" failed to scream, "Put the bankers in prison !" when they ran a massive illegal scam on low income homeowners. When kids get prison for smoking pot and bankers get off for fraud, we have a situation where the point on the line between mercy/left and justice/right is way too far



to the right.

How did it get there. The republican propaganda machine appealed to the primal fears of working class people in order to get elected. They know how to exploit people who see the world in black and white. (You are either with us or against us. There is only good or evil, no in-between) They even have a classy philosophical come back when people call them on the black and white thing. (Liberals are Moral Relativists) Moral relativism is in fact a classic philosophical position, and it just happens to be a good one. The opposite is a Moral Absolutist.

A moral absolutist would throw the book at the tipsy father in the above example for driving his daughter to the hospital. She would say “The law is clear. No drinking and driving.” You can see the problem with moral absolutism. **Suppose that two laws conflict.** You have to use good judgment. I don't think there is one, but suppose that there is a law that says it's illegal to watch a person die while refusing to drive them to the hospital. And suppose there is also a strict DUI law. You are fishing/drinking in the woods and you see a stranger collapse. You can't avoid breaking the law in that situation, no matter what you do.

There is a famous psychologist that really shines a big light on this problem. Lawrence Kohlberg was a psychologist who wrote about **stages of moral development**. Yes, some people have reached higher levels of moral development than others. Kids mature up through these stages, and some adults get stuck at lower levels. I have been in lectures and heard laughing professors swear that half of all adults never reach the highest level. Put this idea next to the research that proves that black/white thinkers are less intelligent, and you can guess where the two ideas overlap.

Keep this in mind the next time you are in a traffic jam and it will calm you down. When you expect people to act like you do, in a cooperative way, that you know is the most rational way to get through the problem, and some people go all out for themselves, you blow a fuse. You blow a fuse because you expect them to be mature. If you remember that half of them are stuck at Kohlberg's level 2, or below, you will just laugh. Morality is a developmental thing, and it's not easy.

I'm not going to get deep into Kohlberg, but I will give a basic

description of the levels. This is not exact at all, but this thumbnail description is a good way to explain them.

On a basic level you follow the rules and do the right thing because you fear punishment. On a higher level you obey the rules because you hope for a concrete reward. On the highest level you follow the rules because it's just the right thing to do. There are actually more levels in between, but the top level is the same. Kohlberg believes we learn these higher levels as kids when we play together etc.

That explains why some of us get angry when we see somebody reach into an unlocked car to take a purse that the driver left on the front seat. We think the thief is evil when he/she is really developmentally immature. **Right wing extremists who advocate cutthroat, super competitive, corporatist capitalism with no safety net, (Fascism), are stuck on one of Kohlberg's lower levels.** They see the world as a primitive place where only the strong survive. They would say "The world isn't fair." A person on a higher developmental level would say "The world isn't fair. It's up to us to make it fair." (Or my Mom's line: "Two wrongs don't make a right")

Social Darwinism is the primitive belief that nature is all about the survival of the fittest, and therefore humans should be competitive. This idea is wrong. It commits the classic naturalistic fallacy of confusing an IS with an AUGHT. People can't understand that Social Darwinism is primitive while they are stuck on level two. People on level two actually see people who hate Social Darwinism as immoral. They reason like this: "If it's a dog eat dog world, and I eat the dog, then anybody that says that I am not entitled to one hundred percent of what I scratched out of the earth is trying to steal something from me." Level twos have little or no compassion because they believe compassion does not exist. Compassion is weakness to them.

The morally immature are attracted to the extremes, left and right. On the extreme left, to expect everybody to be paid the same wage, no matter how hard they work or whatever they contribute, is way too heavy on the mercy, and way too light on the justice. Nobody is going to suffer through 12 years of college to become a doctor who earns the same wage as a clerk in a gas station. That doesn't mean that doctors only do it for the money, but that would just be too much to ask. (For the record, a social work graduate degree

costs the same as an MBA, but we get paid like it's free.)

Before I move on I want to insert a full description of Kohlberg's levels of moral maturity for readers who want more detail. This is from *MORAL DEVELOPMENT, A Guide to Piaget and Kohlberg*, by Ronald Duska and Mariellen Whelan. 1975, Paulist Press.

### Kohlberg's Stages Of Moral Development

Kohlberg identified six stages, two stages occurring at three distinct levels – the pre-conventional, the conventional and the post-conventional.

#### Pre-Conventional Level

At this level the child is responsive to cultural rules and labels of good and bad, right or wrong, but interprets these labels in terms of either the physical or the hedonistic consequences of action (punishment, reward, exchange of favors) or in terms of the physical power of those who enunciate the rules and labels. The level is divided into two stages:

*Stage 1: The Punishment and Obedience Orientation.* The physical consequences of action determine its goodness or badness regardless of the human meaning or value of these consequences. Avoidance of punishment and unquestioning deference to power are valued in their own right, not in terms of respect for an underlying moral order supported by punishment and authority (the latter being Stage 4).

*Stage 2: The Instrumental Relativist Orientation.* Right action consists of that which instrumentally satisfies one's own needs and occasionally the needs of

others. Human relations are viewed in terms like those of the marketplace. Elements of fairness, reciprocity, and equal sharing are present, but they are always interpreted in a physical or pragmatic way. Reciprocity is a matter of “you scratch my back and I'll scratch yours,” not of loyalty, gratitude, or justice.

### Conventional Level

At this level, maintaining the expectations of the individual's family, group, or nation is perceived as valuable in its own right, regardless of immediate and obvious consequences. The attitude is not only one of conformity to personal expectations and social order, but of loyalty to it, of actively maintaining, supporting, and justifying the order and of identifying the persons or group involved in it. At this level, there are two stages:

*Stage 3: The Interpersonal Concordance of “Good Boy – Nice Girl” Orientation.* Good behavior is that which pleases or helps others and is approved by them. There is much conformity to stereotypical images of what is majority or “natural” behavior. Behavior is frequently judged by intention: “He means well” becomes important for the first time. One earns approval by being “nice.”

*Stage 4: The Law and Order Orientation.* There is orientation toward authority, fixed rules, and the maintenance of the social order. Right behavior consists of doing one's duty, showing respect for authority and maintaining the given social order for its

own sake.

### Post-Conventional, Autonomous, or Principled Level

At this level, there is a clear effort to define moral values and principles which have validity and application apart from the authority of the groups or persons holding these principles and apart from the individual's own identification with these groups. This level has two stages:

*Stage 5: The Social-Contract Legalistic Orientation.* Generally with utilitarian overtones. Right action tends to be defined in terms of general individual rights and in terms of standards which have been critically examined and agreed upon by the whole society. There is a clear awareness of the relativism of personal values and opinions and a corresponding emphasis upon procedural rules for reaching consensus. Aside from what is constitutionally and democratically agreed upon, the right is a matter of personal values and opinion. The result is an emphasis upon the legal point of view, but with an emphasis upon the possibility of changing law in terms of rational considerations of social utility (rather than rigidly maintaining it in terms of Stage 4 law and order). Outside the legal realm, free agreement and contract is the binding element of obligation. This is the “official” morality of the American government and Constitution.

*Stage 6: The Universal Ethical Principle Orientation.* Right is defined by the decision of conscience in accord with self-chosen ethical

principles appealing to logical comprehensiveness, universality, and consistency. These principles are abstract and ethical (the golden rule, the categorical imperative) and are not concrete moral rules like the ten commandments. At heart, these are universal principles of justice, of the reciprocity and equality of the human rights, and of respect for the dignity of human beings as individual persons.

That is a lot of detail, but the basic idea is clear. Morality is a developmental thing. Jesus is an excellent example of someone reaching Kohlberg's highest level of morality. I'm not speaking to the question of his divinity here. I'm only talking about his behavior and values. If people who show no mercy, and promote a competitive Social Darwinism go on the right, then Jesus goes on the left.

Yes, the republican propaganda machine has completely flipped the issue and attached Jesus to the republican brand. Christians on the left are amazed by this, but remember, the advertisers are good at what they do. They can sell anything. They sold us cigarettes. Jesus clearly goes on the left. Imagine a picture of Jesus in army fatigues. You can't, because Jesus would never go in the army. Jesus would never cut programs for the poor to make room for tax cuts for the rich. Jesus would vote yes on universal health care. Jesus would never privatize social security. Jesus would never build a wall on the Mexican border to keep people out. Jesus would never, ever vote republican. Jesus goes on the left. The democrats do not have the guts to say that, but I do.

For those of you who are still reading, I thank you. Now... Who is a good example of the right side, opposite, of Jesus. How about Hitler. The Fascists and the Nazis have a philosopher that they use to justify their Social Darwinism.

Friedrich Nietzsche was the German philosopher that appealed to the

Nazis. He sounded a lot like the neoconservative bunch that surrounded George W Bush, but the media never made the comparison. Nietzsche was a classic survival of the fittest Social Darwinist. Germany had lost one war after another, so they were primed for someone to tell them that they were destined to win wars and be recognized as the master race.

The neoconservatives are into Nietzsche and other German philosophers from the extreme right. Whenever you hear a pitch from the right that tells you we have to neglect the weak and subsidize the strong with public resources, you are hearing Nietzsche. Trickle down was born there. Preemptive wars for oil and empire were born there. In fact, the republican party has gone so far to the right, just about everything they pitch for was born there.

Even the right wing propaganda machine was born there. When you hear about the republican campaign strategy of attacking your opponent's strength instead of his weakness, that comes from Joseph Goebbels, the Nazi propaganda man. Goebbels perfected the propaganda trick of reversing the facts. If your candidate is a draft dodger, you accuse his war hero opponent of being unpatriotic.

Flip the issue. The republicans used it on President Obama. GW Bush lost jobs like crazy doing trickle down. Obama stopped the bleeding. There is a graph to prove it. The republicans knew that the democrats would use this to reelect Obama. Instead of running from it, republican strategists flipped sides and accused Obama of being a job killer. The strategy is to reverse the facts, attack your opponents strengths, and put them on the defensive instead of the offensive. This is from Goebbels' book on propaganda that I know all the neoconservatives read late at night. **If you are stuck on a lower Kohlberg level, and you read Goebbels, instead of being horrified by it, you say “Wow! This stuff really works.”**

This propaganda trick is from the book: “*The Power of Propaganda*” by the old Nazi himself. I quote Goebbels.

“The cleverest trick used in propaganda against Germany during the war was to accuse Germany of what our enemies themselves were doing. Even today

large parts of world opinion are convinced that the typical characteristics of German propaganda are lying, crudeness, reversing the facts and the like.”

He saw the trick as effective when used by the enemy, but rather than condemn it, he adopted it because it was effective. He did not understand that “Two wrongs don't make a right” because he never made it to Kohlberg's top level.

The neoconservatives didn't make it up there either. Extreme right wing republicans are not your father's Eisenhower republicans. They are Fascists. They go as far right as you can go (where there is no democracy), and they have Hitler and Mussolini for next door neighbors. Extremes are bad on the left AND the right. Extreme left = Communism. Extreme right = Fascism. Both extremes have no democracy.



## Chapter 11

Hawks are aggressive about going to war. Doves are not. **Hawks Go On The Right. Doves Go On The Left.** There are times when the republicans develop an isolationist wing and oppose going to war, but it hasn't happened for a very long time. The real left is almost never hawkish. Most democrats are moderates. The democratic party is not full of real leftists. There are lots of democrats who are hawks, but peace is to the left of war.

The hawks go on the right. Wars are profitable for big corporations. Wars also make unpopular republican presidents popular. If you want proof that the advertisers can sell anything, just look at the inconsistency of the republican party branding themselves as the party of Jesus, and also the party of the military. Jesus sure seemed to act like a dove. If you can't imagine Jesus strafing people with a machine gun, then you understand. The advertisers could make Hitler look like a humanitarian if they wanted to. It's all about imagery, emotion, and doing everything they can to keep people from thinking about the issues in a rational way.

We are constantly bombarded with positive images of war and the military. Recruiting commercials have soldiers acting like social workers, rescuing children, and feeding the hungry. We now have to sing two patriotic songs at baseball games instead of one. 9/11 was just what the propaganda people needed to keep the tired war machine cooking for a few more wars. It was also a great excuse to strip away our civil liberties. What a sell.

Fear mongering goes on the right. It might be the communists, or the terrorists, or the Iranians, or even a thing like drugs, but whatever it is, you can bet that all of the republicans are pushing the fear. Even though some democrats act like republicans, no republicans act like the majority of democrats, who refuse to scare people to get elected.

Right wingers actually make us less safe when they promote the fear of

terrorism. They know they are giving the terrorists exactly what they want, but they do it anyway, and for personal gain. They drained the treasury to chase a threat that is designed to get us to drain the treasury. I am a terrorist's worse nightmare. I am not the least bit intimidated. Think of the actual odds. If they blew up 10 planes a day, the odds of any individual flight getting hit are still very low.

Here is an idea. Make an express lane at the airport for guys like me who would rather take the risk and get right on the plane. As courage goes, that's lightweight stuff. Guys in the Eighth Air Force in WWII got on the plane to do bombing runs when the odds were against them surviving 25 flights in a row. That is what I call guts.

I am not afraid of being on the one flight in thousands on any particular day that might draw a short straw. Body searching kids at the airport is an extreme overreaction, especially when it bankrupts the country. If we get attacked for real, we won't be able to afford any bombers because we broke the bank on airport scanning machines. The republicans are making us less safe with all this saber rattling, and they do it for political gain. It's an old trick that still works because people are easily confused about what issues go on the left and what issues go on the right.

Republican wrap themselves in the flag, **as if** patriotism goes on the right, and then they send our jobs to communist China. Political advertising people can sell anything. It's all imagery. Remember Reagan's "Morning in America" ad? I was so young. I laughed until my sides hurt. I never expected it to work, but it did. That stuff does not work on me. The more flags I see behind a politician, the less I trust them. It reminds me of Nazi propaganda films. I know they are trying to divert my attention away from something. And when I hear **platitudes** like "Freedom" "Family Values" etc, I distrust them even more.

Nothing pulls my chain like a hawk using the word defense. We don't fight defensive wars anymore. We fight offensive wars. "Preemptive Strike" is code for starting a war. We spend more money on the military than all of the other first world nations combined. We can crush any combination of nations. We are so strong that no nation is going to use conventional military force against us. Except for the terrorism scare, there is no boogie man left.

During WWII our factories converted from civilian to military production. When the war ended, our industrialists successfully delayed switching back because of Korea, Vietnam, and now long strings of wars for empire. For the past three decades our real wages have been flat while the military industrial complex has reaped enormous profits.

Let's talk about the oil wars. **Oil companies go on the right.** They are all owned by republicans. People know that we are starting these wars when there is no military threat, but they subconsciously think that the wars are necessary to keep the oil coming in. In my opinion, the oil companies like to see these wars because they keep the price of oil UP, not down.

When has an oil company done anything that would cut their profits. If they were losing money from these wars, then they would oppose them. The law of supply and demand proves that if the supply goes up, the price goes down. The oil companies get a higher price when a war disrupts production. OPEC sets quotas to limit production and keep the price up. Even if a country is not in OPEC, if they try to pump too much oil, the Saudis will get the US to stop them.

We might do it with sanctions, but if that doesn't work, the Saudis will get us to send in the troops. Imagine our kids getting killed in combat to keep the price of oil UP. The Saudis have us over an oil barrel. Whenever you hear anything whatsoever being pitched by an oil company, it goes on the right. There has never been better proof that the republicans do not own the American flag than this. Republicans put OPEC before the American people. They send troops to die for OPEC. The oil companies should be nationalized in order to stop these wars and let the price of oil fall. That would stimulate our economy tremendously.

Note: There are people on the left that are rightly concerned about global warming and some of them suggest a strategy of keeping oil prices high to discourage the burning of fossil fuels. With due respect, I am opposed to this strategy as it is a regressive tax on lower income people. If people below a certain income were exempt from the higher price, I would be for the strategy. The lower income exemption is an example of the logic of Firewall Economics. More on FE later.

**The military-industrial complex goes on the right.** The last thing President Eisenhower did before leaving office was to warn us about the Military Industrial Complex. The founding fathers warned us about having a standing army in peacetime too. We can't go bare in peacetime, but we don't have to have an army so large that it bankrupts us. These wars are not about defense.

My grandfather was wounded and taken prisoner at the Battle of the Bulge. He died a month later in a POW camp. The Germans were the bad guys, and the Russians were on our side. Now we find out that American companies were trading with the Germans during the war, and went right back into partnerships with them after the surrender. Germany was our ally again before my grandfather's body made it home, and the Russians were our enemy.

Japan got off the hook too. The Japanese built a car plant in our home town not far from my grandfather's grave. My Dad was in Korea. I was in the Air Force in Alaska during the tail end of Vietnam. My new shoes and my shirt were made in Vietnam. **When you hear appeals to patriotism, that goes on the right. When you see real patriotism, like trying to keep our jobs in the US, that comes from the left.**

The neoconservatives of the G. W. Bush administration were so far to the right that they make Nixon look like a democrat. They were all about war and patriotism. Those jokers had a lot of draft deferments. Very few were ever in the military. Real patriotism goes on the left, but poll after poll shows that Americans associate the republicans with patriotism. Imperialism is not patriotism. **Invading other countries to dominate them economically goes on the right.**

Since the republican revolution in 1980, we have come to resemble the Roman empire more than the American utopia we read about in history class. Imperialism was sold to the Romans as patriotism too. Our military gets first priority, just like the Roman military did. Our military is the first thing funded and the last thing to be cut. All you hear today is how the states are broke and we need to cut pension benefits for teachers, cops, firemen, and any other public sector workers. The private sector workers have already lost their benefits. Public workers are still hanging on by a thread, because they

still have unions, legal contracts, and even constitutional guarantees in some states.

What you never hear is a threat to cut military benefits. You can still retire from the military after 20 years at half pay, with free medical care for life. If prison guards and the firemen are living too well, and are a problem for the economy, then why aren't military retirees being threatened with cuts. In an empire, the military comes first. Welcome to Rome, and remember what happened to Rome and all other empires. **Imperialism goes on the right.**

Update February 2014: There was a recent cut to military retirement benefits that passed congress. They are trying to reverse it now, but it did happen. For the record, I do not support cutting military pensions. It's not right to change the contract after a soldier has put in 20 years of service. Pensions should pay the individual what the benefits were on the day they enlisted, or were drafted.

Wars and hard times in general are also good for helping right wingers avoid a situation where the workers make substantial gains in pay and working conditions. They can make propaganda by saying that it is unpatriotic to strike during a war, or even to ask for a raise.

Depressions and recessions stop strikes too. The last thing that Dubya did before he left office was to crash the economy. The republicans knew the housing bubble was going to pop because they were the ones who created it. Bankers are republicans. They created the bubble and sold it short. (bet money that it would fail) When Obama looked like a sure winner, they popped the bubble and handed him a recession. Do I think that crash was planned? Yes I do, in the sense that the republicans picked the time to pop the bubble. The republican plan was, and still is at the time of this writing, to restrain President Obama with a bad economy.

Look at the depression of the 1930's. Labor was so angry. The average worker was moving to the left. Revolution was in the air. But then, right before labor made real progress, we got WWII. Do I think it was on purpose? I hope not. But during a war the republicans get to jail all the leftist doves

when the general public is afraid to object. Wars and depressions are great for keeping down dissent, and people who like it that way go on the right.

We are getting more and more Roman all the time. The Romans prepared their children for military service by teaching them the things that the empire needed them to do, and discouraged them from thinking about the things that the Romans didn't want them to contemplate. We push math and science. Everybody thinks that we favor those subjects to encourage people to become engineers, to design faster jets for the military, etc. But I wonder if it isn't also to keep us from studying subjects like history and political science, that might be a danger to the empire.

Lots of us can NOT get through high school without suffering algebra or some kind of crazy math that we will never need, but you CAN graduate with honors and NOT know that the Taft-Hartley Act was a major blow to workers rights, that it was passed by the republicans, that President Truman vetoed it, and that the republicans overturned his veto. Algebra is useless to most of us. History is valuable. Algebra will not protect you from a republican candidate spinning the republican party as the party of the common man. I will bet that most high school graduates can't even identify Truman as a democrat. **Political literacy is good for democracy, and people who promote it go on the left. People who try to block it go on the right.**

## Chapter 12

### **Wedge Issues**

Wedge issues are cheap shots from the right. I can not think of a single wedge issue that comes from the left. I might be wrong, but I can't think of one. Environmentalism maybe, but that one cuts both ways. Republicans know that there IS an adversarial relationship between labor and capital. Politics is all about the money. Voters will naturally vote their economic interests, unless they can be convinced that the democrats are for or against something that is so morally offensive that they must simply sacrifice their economic vote to block the democrats on that one issue. The trick is to convince the voter that the wedge issue is more important than any other issue, and that the only way to affect the issue is to address it in an election.

Wedge issues are usually social issues that are controversial to the degree that they divide the democratic vote. They are hot button issues like guns, gays, and abortion. Once you know what the wedge issues are, you can decide for yourself if they are important enough for you to vote republican. More times than not, the wedge issues are not even up for a vote. There are almost never any gun issues on the ballot, but many working class males vote republican because they have an image of the democrats as being against guns. Abortion laws are rarely on the ballot, but many working class people vote republican over abortion.

### **Wedge issues are great fund raisers.**

There are hundreds of republican fund raising organizations that are designed around a single wedge issue like abortion or guns. The objective is not to ban abortion or increase gun rights. The objective is to raise money for

republican politicians to buy TV time. The last thing these outfits want to see is their wedge getting issue settled for good in congress. That would stop the money. The NRA is not really about guns. The NRA is a fundraiser for the republican party. Don't waste your vote on a wedge issue that will never be over.

**Wedge issues are great for diverting the anger from the left into areas that are less about economics.**

Environmentalism is about economics too, but environmentalists can't fight for banking reform as effectively while they protect the forests. Republicans know that capitalism causes working class anger. The trick is to channel the anger away from the financial system itself. Lots of these social issues are very important, and people who work on them are heroic, but they are secondary symptoms of our economic problems. If we could concentrate all the anger on economic reform first, it would happen quickly, making the other issues easy to address. The best way to save the trees is to get them out of the private sector.

**Wedge issues are great for driving democrats into third party movements that backfire in a two party, winner take all, system.**

The American system is NOT a parliamentary system. You can have ten parties in a parliamentary system and not waste a vote. If a small party gets 5% of the vote, they get 5% of the seats in the government. In a two party, winner take all system, those votes get wasted. No seats.

**Third party candidates in the US almost always backfire against the side they come from.** Bill Clinton got elected the first time because the republicans split their vote. Ross Perot, a republican, shaved enough votes from the right to throw the win to the democrats. Ralph Nader did it to the left with the Bush versus Gore election in 2000. How often does a third party candidate run in a presidential election? 1860-1892-1912-1924-1948-1968-1980-1992-1996-2000. It is tempting for one side to fund the other side's third party candidate. It happens.



Fortunately, there is an easy solution without going to a parliamentary system. **Instant Runoff Voting.** The third, fourth, and fifth party candidates all go on the ballot. The voter votes for candidate Smith as a first choice, Jones as a second choice, Baker as a third choice etc. If the voter's first choice gets only a few votes, the vote goes to the second choice without a runoff election. That way you can vote for a long shot and risk nothing. You can vote as far left or right as you want for the first choice, and if the candidate tanks, your vote would help the candidate you select, not your worst nightmare candidate.

And remember, low voter turnouts elect republicans because there are more democrats than republicans. Republicans always vote. They have to. If a democrat throws their vote away on a far left long shot, it's like they didn't vote. Their vote is wasted AND the effect is a vote FOR the republicans. Avoid the third party trap.

### **Common Wedge Issues**

**RA-Being Against These Issues Goes On The Right.**

**LA-Being Against These Issues Goes On The Left.**

RA-Abortion

RA-Birth Control

RA-Gun Control/Background Checks

RA-Civil Rights/Minority Issues/LBGT Rights/Rights of Women/Rights of Disabled People/Rights of the Elderly/Reforming Agism.

LA-Local School Financing/Control.

RA-Separation Of Church and State.

LA-School Prayer.

RA-Teaching Evolution.

LA-War On Crime/Drugs/Terror/....Terror is a tactic, not a thing.

RA-Welfare.

RA-Voting Rights Act/Affirmative Action.

RA-Opening Up Immigration.

RA-Environmentalism.

**Issues That Used To Be Wedge Issues, But Most Voters Now Approve Of, And Republicans Still Oppose.**

RA-Minimum Wage.

RA-Unemployment Insurance.

RA-Workman's Comp.

RA-Social Security.

RA-Social Security Disability.

RA-Medicare/Medicaid.

RA-Unions/National Labor Relations Board.

RA-Americans with Disabilities Act/Accessibility.

RA-Consumer Protection

RA-OSHA-EPA-FDA-ICC-Antitrust Protection.

RA-Federal Financial Aid For College/Grants Instead of Loans.

RA-Environmental Legislation To Fight Global Warming.

RA-Federal Mental Health Funding. Mental Health Parity.

RA-Joining International Courts.

RA-The United Nations.

RA-Good Relations With Russia.

RA-Stopping Privatization-Outsourcing-Exporting Jobs-NAFTA Style -Trade Deals. (Both sides are guilty here. Half of the democrats and all republicans)

RA-A Fair Peace Between Israel And Palestine. Israel is tricky. Jewish voters in the US are majority democrat and for peace. Jewish voters in Israel are more right wing. US republicans are very hawkish on Israel. (Half of the democrats are weak here too)

RA-Public Election Financing-Campaign Finance Reform- Repeal Of Citizens United.

RA-Dodd-Frank Act-For Financial Reform.

RA-Restoration Of The Glass-Steagall Act-For Banking Reform.

RA-Affordable Care Act.

## Campaign Finance Reform

Republicans block campaign finance reform. Fair campaign financing would end the republican party. The billionaires are almost all republicans. If both sides had the same money, the democrats would win every time. There are more democrats than republicans. Republicans do voter suppression, redistricting, tricky campaign spots, and a host of other dirty tricks to delay their impending demise. The republicans control the Supreme Court that stole Gore's victory after he won the popular vote, and then ruled that any limits on campaign contributions by billionaires were unconstitutional. The republican party is blocking democracy.

There is a big movement to get a constitutional amendment to repeal the Citizens United decision and restore limits on how much an individual can give to a campaign. But even without that, there are things that we can do.

When I was a kid, we had the **Equal Time Rule**. I have been calling for it's return ever since it was repealed. All the candidates got equal time on TV. If the republicans did a half hour on NBC, the democrats had to get a half hour. The drawback was that this nut case third party candidate always got equal time too. I refuse to say his name. I think he was a libertarian, but he was way out there. Even the kids could tell he was goofy. Still, it was only a minor hassle to get a sandwich and duck him. The third party candidates of today might be worth watching.

If we can't limit campaign giving, can we limit campaign spending? We could pass a law and make the court shoot it down. I'm not so sure they would do it again.

Can we restrict the campaign ads to one channel? Why not. Does the right to run an ad extend to the right to shove an ad in your face at any time and place? Why can't we know in advance where and when a pitch is coming? Put all the spots on a single channel and spare us the constant irritation of getting bombarded with lies every fifteen minutes.

Can we tax the campaign money? Why not. Taxing it does not limit freedom of speech. The tax would be the same for all sides. Why not tax it

and put the money in a fund for the public financing of elections.

**Election laws should be set by the feds for a federal election**, not the local political machine. Let the states set the rules for state races, but federal elections get jammed by fifty different state systems. And while we are here, how about an amendment to **Dump The Electoral College**. I can't believe we didn't do that after Gore. Federal elections should be won by the candidate who gets the most votes.

The republicans are hanging on by concentrating on little red states with tiny populations. Two senators for every state was a compromise at the beginning of the nation. We need an amendment to get rid of that rule now. Two senators for every state is not democracy. Senate seats should be proportional to population, like the House of Representatives. That would leave only the Supreme Court for the republicans to jam. We had to do a constitutional amendment to elect the senate, we can do one to elect the Supreme court too.

Fair elections are a Desperate Human Necessity in a democracy. There should be no profit in campaigns. Giant private media corporations make a fortune on every election. Can we declare profiteering in elections illegal? If we can't get the whole process out of the private sector right away, can we tax the heck out of them until we can? Did you ever ask yourself where the election money goes? It goes to the media. Two brothers have promised to spend a billion dollars on the next presidential election. We are like a frog in a pot on a flame. Is a billion dollars from two guys hot enough to get your attention?

## Chapter 13

### What Is Firewall Economics

The short answer is that Firewall Economics is an economic model that separates markets for **Desperate Human Necessities** from markets for everything else. Markets for desperate human necessities are protected from exploitation by capitalism. These goods and services are provided on a non-profit basis and with a public sector government subsidy if needed.

**A desperate necessity is something that you cannot refuse to buy, even if you have very little or no money.** Water, food, clothing, shelter, medical care, utilities, etc. Capitalism should be out of bounds to these markets. When someone cannot afford to heat their home by purchasing heating oil on the private sector market, they can either freeze to death or go deeper into debt. **Classical economics did not anticipate predatory lending.**

Classical economics predicted that the price of desperate necessities would only go as high as consumers could afford to pay, but **the law of supply and demand breaks down when the consumer is forced to borrow money to pay artificially high prices.** The result is what we have now, massive debt and an artificially maintained market bubble in basic human necessities. We can tighten our belts and buy fewer cars, but some things have us trapped between a bank and a sidewalk.

Firewall Economics contains one very new idea. **Capitalism and socialism do not mix. They cancel each other out.** Any mixed economy that allows a mixture of capitalism and socialism, in every market, for every good or service, will be extremely inefficient in both the provision of necessities and everything else. Socialist, bottom up, government planned, non-profit, public sector administered, needs based, delivery of goods and services is more efficient in markets for desperate necessities.

This is still debated, but it should not be. The Social Security

Administration has an efficiency rate of 98%. Only 2% goes to administrative overhead. In addition to that, **the first goal of any public sector delivery system is to cover every person.** The private sector never does that. But even after we all agree that the public sector does some things better, it is still not necessary to use this delivery model for anything other than desperate necessities. Capitalists should love Firewall Economics, and the extreme left should hate it because it might postpone the end of capitalism. I choose reform over revolution. I will not ask people to continue to suffer as we build up support for pure utopian socialism. I am a social worker interested in feeding people who are hungry today.

I call things what they are. Public sector planned markets are socialism. I am not afraid to use the word. Even taxes are socialism. Socialism and capitalism are the two economic models we have. One is based on **competition** and the other is based on **cooperation**. It is impossible to compete and cooperate at the same time. All modern economies are mixed economies, mixtures of competition and cooperation, and therefore inefficient.

It is not necessary to apply the same economic model, or mixture of economic models, to all markets for different goods and services. It is possible to use a small amount of pure undiluted socialism to cover the delivery of desperate necessities, and allow profit driven competition for everything else. A small amount of undiluted socialism would be less expensive and cover every person in need. Markets for luxuries need no protection. If the vulture capitalists run up a bubble in the price of backyard pools, then we can swim at the YMCA.

Remember that the definition of a desperate necessity is something that you can not refuse to buy. You can refuse to buy a **big** home, but you must buy or rent some kind of shelter that comes up to code. There would still be some **relative poverty** with FE, but no **absolute poverty**. There would be no homelessness, hunger, utility shutoffs for the poor, lack of medical coverage, etc. Capitalism is like casino gambling. It should be illegal to go to the casino before the kids get shoes. The compromise of FE is that once the kids have shoes, it's OK to hit the slots.

It is important to understand my premise that capitalism and socialism

do not mix well, and to mix them is inefficient. Let me try a visual mental image. First of all, Pope Francis, recently debunked trickle down economics, which is code for capitalism, with a water glass example. He said “Advocates of trickle down economics insist that if we let capitalism go unregulated, the glass will fill up until it runs over and trickles down to the poor. But this never happens, because the rich keep making the glass bigger.” If being a Christian was a crime, I think there would be enough evidence to convict Pope Francis. The trickle down theory is false, but even if it were true, it would be very very inefficient.

Why should the poor have to wait until the rich have gorged themselves, and cannot eat another bite, to fight for the crumbs that fall off the table? And why should the rich complain if we feed the poor first? There is enough surplus to do that without depriving the rich of anything. A tiny group at the very top of the income scale own half of everything. If we tax them a little more, to provide a truly basic safety net, the rich will not miss a single meal, even if they eat caviar with disposable platinum spoons.

Now for **my** water glass image. Imagine that socialism is vegetable oil, colored red, and capitalism is water, colored blue. We will be pouring a mixture of both into a glass. Mark a ten inch glass one inch from the bottom. That mark represents the level in the glass that the red oil socialism must reach before ALL needy people are served. If we fill the glass with 9 inches of blue water capitalism first, and then add a little red oil socialism, the red oil socialism will float to the top and fail to reach the anyone in need.

But, if we add the red oil socialism **first**, we would only need a little socialism to cover everyone. As soon as the LAST needy person is served, we could pour in all the blue water capitalism that the rich think they want. And since the poor have already been served, the rich could enjoy their money without the guilt of exploiting the poor to buy luxury goods.

When you allow profits to be taken on markets for desperate necessities, the cost of delivering them is 1. Cost of good or service + 2. Profit. Under Firewall Economics it's just 1, and there is no hidden cost to the general economy from predatory lending. Private, for-profit companies will charge as much as they can for home heating oil. Once the buyer can no longer pay the rising price, he or she must borrow the money. Needy people

are forced to use payday loan sharks at astronomical interest rates. Under the old system, a lender would not lend to a person who could not repay the loan, and the price of heating oil would stop climbing once it exceeded the ability to pay, but banks will now loan to anyone.

The banks are purposely doing this to trap people in debt, show paper assets on the balance sheet that do not really exist, and rely on the taxpayers to bail them out when the bubbles burst. This would not be possible if people COULD refuse to buy what they are selling at the price the seller demands. **The law of supply and demand does not work with any market where the buyer can not refuse to buy.** You have to buy heating oil if the landlord uses an oil furnace.

Exposing markets for desperate necessities to predatory capitalism could be the final stage of capitalism before it collapses into total socialism or, God forbid, total fascism. The extreme left will be critical of Firewall Economics because it saves capitalism at least temporarily. There are two reasons why I do not support allowing capitalism to collapse. 1. There would be a lot of transitional suffering. It is unethical to punish people today for the gains of tomorrow. 2. If capitalism collapses, we could just as easily fall into fascism as socialism. The Pope says he is not a socialist, but definitely not a capitalist. I am with him, but he is now open to the criticism that there is no third alternative. The third alternative is Firewall Economics.

### **The Danger Of The Self Defeating Prophecy.**

Every new idea is subject to abuse by future spin doctors. I am trying to prevent this by anticipating how Firewall Economics could be turned inside out. George Orwell thought he was giving people a heads up in his book *1984*, but it backfired. The bad guys used it as a playbook, and the working poor didn't read it. If I were going to turn Firewall Economics against the people, I would praise it as a fundamental human value, and then proceed to squeeze the definition of a desperate human necessity down to a level just above starvation for everyone but the privileged elite. Bread would be a



Desperate Human Necessity, but not butter.

That is **not** Firewall Economics. FE without a limit on extreme income inequality is only one step up from no FE at all. If income disparity rises drastically after the implementation of FE, then upper income earners should be taxed to reduce the gap. My strategy is to wager that present day republicans will adopt FE anyway, as it will be irresistible for them to pass up the opportunity for short term profits in exchange for long term risk. Stockholders want to see quarterly profits.

Other Criticisms from the Left that I Anticipate but Reject.

**Unlike Socialism, FE will perpetuate a two tired society.** (Like we have now) This is the classic social policy debate between **means testing** and **universalism**. Means testing sets income limits on eligibility. Universalism covers everyone, regardless of income. Means testing is like welfare. Universalism is not. **FE is a compromise**. There is currently little political support for universal coverage of anything new that the public sector can help with, especially if it involves deficit public spending, so I minimize public sector intervention to a level low enough to attract republican support. I'm giving up a lot here, as the public sector has never been smaller than it is now. FE accepts means testing when universal coverage is not politically possible, AND when the alternative is no coverage at all.

Another valid criticism from the left: **Under FE there would be no absolute poverty, but relative poverty might even increase.** It is true that relative poverty makes people miserable. We have new research that identifies the size of the wealth gap, between the rich and everyone else, as a major cause of misery in every human community. Large gap- depression-anxiety. Smaller gap- happy people. We also have statistics to prove that the suicide rate goes up with **every** republican administration. *Why Some Politicians Are More Dangerous Than Others* by James Gilligan-2011.

Economic anxiety is relative. If we are unemployed during a depression, when everybody we know is unemployed, we feel less depressed than we would in good economic times. If we lose a job when everyone we

know is still working, it is much more psychologically devastating. This is human nature. FE won't bring absolute equality, but it could be the first step to a progressive future that will.

There will be some from the left who criticize FE as being **incremental**. It is. FE is about reform, not revolution. It is only intended to be a step up from our present level of unregulated capitalism.

**Criticisms from the right** will be of the traditional sort, with the invisible hand of perfectly self regulating private sector markets being more efficient than public sector planning in the provision of everything, including desperate necessities. The track record of the world economy over the past thirty years is all that is needed to debunk this myth, and supply side economics in general.

Republicans will argue that FE is only a **foot in the door** to enable further rollbacks of unregulated capitalism. That would be correct. That is exactly what it is, a way to present a reform proposal to republican legislators that is so clearly fair and humane that they can either accept it, or be exposed as being devoid of any trace of human compassion. Once we establish a precedent of shielding some market items from naked exploitation, a dialogue will develop about other **things that should not be for sale**. What is or is not exposed to competitive markets can be decided democratically, but once the dialogue begins, there is no turning back. Here is another book that I recommend. *What Money Can't Buy. The Moral Limits Of Markets* by Michael J. Sandel-2012.

## AGAIN

Firewall Economics could be misused by the wealthy, and I am showing them how to do it, but I wager that it will be more difficult if I post a warning in the body of the text. By exchanging absolute poverty for relative inequality, the rich may try to use FE to justify even greater inequality. The argument would be that once you have everything you need, it doesn't matter

how much more that the rich have. Do not let them spin FE that way.

First of all, being comfortable with the absence of absolute poverty when relative poverty is very high is against human nature. New primate studies show that even chimpanzees hate relative deprivation. Second, absolute equality is not required for a life without extreme suffering, but the absence of extreme inequality is.

I still fear a situation where the rich might use FE to justify squeezing the level of protected necessities tighter and tighter, until the majority are living on a thin string, with little economic security, while the rich have more income than they can spend. If this happens, it will be necessary to apply a brake to the ratio of high to low incomes. The tax code would have to be amended to set the upper rates at a point that stops the income/wealth gap from widening beyond a set point.

## SUMMARY

Firewall Economics restricts open market exposure to markets that are **not** involved in the delivery of goods or services that can be demonstrated to be Desperate Human Necessities. A desperate necessity is something that is essential for a dignified and healthy home environment, that a consumer can not refuse to purchase, even if the consumer does not have enough money to pay for the good or service without borrowing money.

Income inequality has never been greater than it is now, at the time of this writing. According to an Oxfam report that was just released, the 85 richest people on earth now have about the same amount of wealth as the bottom half of the global population. The percentage of income held by the richest 1% in the US grew 150% from 1980, the beginning of Reaganomics, until 2012, while middle class wages adjusted for inflation remained flat. CEO pay at the same time went up by 726%, twice the growth rate of the S&P stock market index.

Surely there is enough profit to be made on goods and services that are **not** desperate necessities to satisfy any investor. Even capitalism needs a few rules and boundaries to improve the game. **FE creates no competitive disadvantage for any corporate enterprise, because all competitors would have to play by the same rules.** Capitalism is strong enough to function even when some things are not for sale. This is not new. You can not sell a kidney in the US. All I propose is that we apply a rational analysis to what should or should not be for sale, and I suggest desperate necessities as a place to start.

## Chapter 14

### **Implementation Strategies**

Implementing FE would be a gradual and ongoing process. As each legislator comes to understand the logic of FE, they can make voting decisions based on their assessment of the issue being voted on in relation to the trade off between private sector and public sector advantages and disadvantages.

Understanding **trade offs** is crucial. My favorite example is bicycle gearing. A ten speed bike has ten different gears of different sizes. There is a trade off between speed and power/torque. The easiest pedaling gear, the most efficient gear, depends on what you need at the time, speed or power. If you are racing downhill, you need a small gear in the rear wheel to maximize speed. If you are climbing uphill, you need a bigger gear for more power, and you are glad to give up some speed to get more power out of every stroke. The relationship between speed and power is a **trade off**.

Firewall Economics recognizes the trade off between the private sector and the public sector. The private sector is a fast gear, it's better to get the economy growing, but too much private sector can overheat the economy and cause massive inequality. The public sector is a low gear. It is better for providing EVERYONE with the basic desperate necessities of life. FE recognizes this trade off, and the best way to implement FE can be thought of as a constant ongoing process of fine tuning the economy, day by day, one legislative vote at a time.

In hard times, we fine tune the economy by shifting to a lower gear, sacrificing speed for power. In hard times, we should increase the size of the public sector to catch people falling off the increasingly steeper hill. Not only do we not always do this, we frequently do the opposite. (Trickle Down

### Economics in a recession)

Another improvement of FE over the traditional tug of war between the private sector and the public sector is that once some restrictions are in place, the firewall sets limits on what things are fair game for political competition. Basic Desperate Human Necessities are always out of bounds for private sector exploitation. This makes all political competition less severe. Once necessities are off the table, the stakes are much lower. Nobody is going to go hungry because the private sector corners the market for concert tickets. (Ticketmaster) We will still fight them, but the stakes are lower than if we were fighting over food prices.

FE does not stop political competition. It just adds enough reasonable rules to make the competition less brutal. FE actually helps competition. Imagine a football game with no rules. The winners are always going to be people with a character structure that is less than ideal. You would not want to live near someone with a cut throat personality disorder, but we allow a political system to exist that encourages our leaders to be sociopaths. FE is just the first logical step to improve the political process. A big general piece of legislation to protect all necessities at once is not necessary. It can happen gradually, with one good legislator at a time. Having said that, I do have some suggestions for legislation that would help.

A crucial part of the banking system, **consumer banking**, needs to be taken out of the private sector. The feds could open a bank and run it on a not for profit model, like a credit union. This is not nationalizing the entire banking system, just the part that we need to provide Desperate Human Necessities. And it's not the feds taking over anything. The feds would be making a **new** bank that no customer would be forced to use. You couldn't get a 500,000 dollar mortgage there, but you could get one for 100,000, and probably at about 3% over 30 years. You could get a credit card there with a 2000 dollar limit at a rate that would be way lower than what we pay now. Think what that would do for the economy. That would increase the purchasing power of average consumer.

And don't forget student loans. What part of student loans are a necessity, and what part should be considered a luxury? My opinion is that

public colleges should be given low interest, government assisted, student loans, but not private schools. If you want to find a dividing line between the rich and what used to be the working middle class, that would be a rational place to draw the line. Harvard is not a Desperate Human Necessity.

The **Glass-Steagall Act** should be put back into law. The repeal of this law, that was inspired by the great depression, caused the Bush recession. The law separates investment banking from consumer banking, making it illegal for the bank to invest your checking account money and personal savings in fly by night risky schemes like derivatives and credit default swaps.

A chunk of the **energy** market needs to be **attracted** to the public sector, in direct competition to private sector energy that preys on low income markets for Desperate Human Necessities. Just like the banks, this is not the government taking over the oil business. This is the government going into the oil business, but only in markets for DHNs.

If you are under an income of say 100,000 dollars a year, and you need to buy home heating oil, or electricity to warm your average size home, you could buy it from the feds for what it costs the feds to buy it. (A lot less than you think because the feds can negotiate from a stronger position than an individual consumer) The feds would only sell heating oil for average sized homes. Heating a mansion is not a Desperate Human Necessity. Other markets for energy that involve Desperate Human Necessities should be included in the program.

I have just suggested two examples for implementing Firewall Economics. What markets get protected, and to what degree, is not up to me. It is a matter to be decided democratically. The logic can be applied to any issue, but I do believe that these examples would bring the most benefit for the least cost. Here are some others.

The **Affordable Care Act** health care bill that the democrats got by compromising with the republicans and the insurance industry is a big improvement over what we had before, but it does not go far enough. It cuts costs, but not by anywhere near as much as a **single payer** system would.

The insurance companies are private sector, for profit corporations, that make a ton of money from exploiting people who are over a barrel on the most Desperate Human Necessity of all, their bodies.

**It is my opinion that there should be zero profit, and no private sector involvement whatsoever in health care.** Medicare for all might be better than the Affordable Care Act, but it still involves private sector health care. I call for a total public sector health care delivery system.

Costs should be kept down by training doctors with free tuition in government run medical schools, in exchange for graduating debt free and working for a reasonable salary as an employee of the federal government.

Drugs should either be bought in bulk at low prices by the feds, or manufactured by the feds in a government owned and run factory. (That will not be necessary. The threat alone will make the private sector do it at low cost)

There are plenty of ways for the investor class to make money without allowing them to corner people who are sick and poor. They had an easy time getting away with it when private sector health insurance premiums were only unaffordable for the poor. But during the republican revolution, the premiums were more than a middle class mortgage payment. It's time for the 99% to dump private health care completely.

**Pensions are a Desperate Human Necessity for the 99%.** When I say pension, I mean an old fashioned Defined Benefit Pension, not an IRA. The purpose of a pension is to provide at least a little economic security in retirement. IRAs have no security. A stock portfolio can lose money overnight. A retired person dependent on an IRA will spend every day watching the stock ticker. That is not security. An IRA with bonds instead of stocks would be safer, but bonds fluctuate too.

Since the 1980s, pensions have been forced into IRAs and out of defined benefit plans. This is a massive transfer of retirement money into the hands of stock traders who make a fortune churning stocks. They get to play casino with half of our retirement money that way. They would love to privatize social security, and get the other half too. In order to understand just how bad this swindle is, we need to understand the truth about retirement.

**There is no possible way for workers to save up enough money in**



**their working years to retire, for the rest of their life, at a reasonable age, with any level of reasonable security, without younger workers subsidizing them and the rest of the retirees.** It has always been that way. It's not a bad thing, it just works out that way. It's part of the social contract. Workers pitch in when they are young, in exchange for the secure feeling of knowing that when they are too old to work, the next generation will help them too.

It used to be the custom that the extended family did this. Older people who could no longer work were taken care of directly by their children. It is a mistake to believe that we no longer have an obligation to do this. We just do it differently. We do it collectively. People who receive Social Security get the money from younger workers and the employers of the younger workers. The money they collect is not the same money that they contributed in their working years. The Social Security fund is not insolvent. It is invested in treasury bonds that earn interest, but it is still partially a pay as you go system because we will dip into general revenue if we have to. The young take care of the old, just as it has always been. There is no other way.

The problem with doing it collectively is that it makes the process seem impersonal. If we thought the money we see being deducted from our pay was going to our blood grandparents, we would feel guilty about resenting it. Since we think it is going to strangers, we don't make the emotional connection that is really still there. The money **is** going to our grandparents. It's just pooled and centrally distributed.

Using an insurance method has more advantages than disadvantages. You could make the argument that selfish people could game the system by not having any children. It is true that the burden of having a large family to protect you in old age has been removed, but that is certainly a good thing. And no worker can say that the pool is exploiting them because every worker has grandparents.

Pooling retirement money is a good thing, but the basic human reality that the young must care for the old is still true. The young will always complain about it when they are young, and they will always change their minds about the arrangement when they get old. Republican stock brokers know this, and they use the psychology of greed in an attempt to trick voters

into moving retirement funds away from public sector Social Security, and into private sector investment schemes like IRAs.

Now suppose that the voters woke up one morning and decided to reverse this. What could be done? It depends. We could do a little or a lot, whatever there was political support for. Let us start with a little, then a lot, and then find a middle position.

The goal is to move pension money out of Wall Street and into the Social Security system. Right now Social Security is the only real pension for most people, and it pays about 25% of your salary at retirement. We need to increase that to 50%. You can live well on half pay, but not 25%.

We could do a little by chipping around the edges. Maybe raise the income cap for SS contributions so that upper income earners would pay more in. (Taxpayers who earn over about 100,000 a year do not pay SS taxes on anything over the 100,000) We periodically raise the cap to keep up with inflation. We will keep doing this, but it won't get us to 50%.

We could pass tax laws that “encourage” IRA funds to be invested in safer places like bonds, but they would still still be at risk in the private sector.

We could go for the sledgehammer and pass a law that bans private sector pension funds altogether, and forces that money into the SS fund. Ba-Bam!

With that, we could have new levels of SS investment for individual workers. The half of your retirement money that you now put into an IRA to supplement your SS could be counted in units or shares, and you would know exactly how much higher your SS check would be at retirement, guaranteed. Your higher level of SS investment would depend on how much extra money you put in, but all money invested for retirement would have to be invested there. Private retirement funds would not be allowed, and would certainly not get any tax benefits.

That is a lot of money. If all the private retirement funds that are out there right now in IRAs were moved to the SS system, the fund would be so strong that everyone would feel secure about the fund in the very long run. The money would be in treasury bonds, the safest investment on earth. Ask the Chinese.

That would work, but we don't need a sledgehammer. Now for the middle position. Use the same system that I just described, but make it voluntary. If you want to put money into an IRA, go ahead, but you would have the **option** of investing extra money in a public sector, government guaranteed, treasury bond backed, expanded SS system if you so choose. You would know exactly how much your future monthly SS check would increase with each additional dollar you put in, before you put it in.

That is the ultimate conservative investment. Maximum security with minimal risk. Retirement is about secure investing, not risky speculation. But even a speculator would like this system because he could quantify his risk benefit analysis. He would know exactly how much security he was giving up for choosing a higher risk private investment strategy.

Now why not just use your IRA money to buy treasury bonds? Because the SS system is more secure than treasury bonds alone. The feds will do anything to keep it in the black, and that is good. Social Security is an insurance system. It was designed that way. But in reality, it is, and should be backed up by general revenue.

If the fund is stressed by a temporary crisis, like a baby boom reaching retirement age, then it should be acceptable to use general revenue, federal income taxes, to help it bridge the crisis. Doing that would make it welfare, and not insurance, but as I explained earlier, young workers always have a real obligation to take care of people who are too old or sick or disabled to work. **They can not be abandoned just so the books are always in balance on any given day.**

Businesses run deficits all the time. They have to. But say you want to run a temporary deficit in the public sector and republicans cry fowl. The fact that the federal government has the power to run a deficit to protect the SS fund makes it a safer retirement investment than treasury bonds alone, and that is a good thing.

If the IRA investor had the option to invest the money in an expanded voluntary SS system, the power of the federal government to protect the fund would crush the market for private sector IRAs. That is why republicans would oppose it. Republican spin doctors who love to claim that the private sector is more efficient in everything would not fear this plan if they really

believed that myth. When they object to giving people a choice here, or anywhere else between the private and public sector, they expose their own hypocrisy.

It is the profit that they seek, and only profit. They would allow our grandparents to suffer in old age just to make another buck. Retirement is a Desperate Human Necessity, and it should be protected from private sector profiteering. Let the private sector make money somewhere else. Some things should just not be for sale.

Lucky people have jobs that they enjoy, but some people have jobs that are sheer drudgery. The hard jobs need to be done too. People who do them need to be motivated, and the best way to do that is to give them a living wage, fair benefits, and a sense of security for retirement. Some jobs, like prison guards, have such poor working conditions that the only reason to endure them is for the benefits. Take away the benefits and people won't do them.

Just one example: Who would be a prison guard for a private company with no benefits, low pay, and no pension? You would get desperate people who would work for a short time and move on. High turnover is dangerous to the workers, to the public, and the inmates. The for profit company would cut costs to the bone. They would get sued for overcrowding, poor food, worker injuries, etc. They would lose in civil court where nobody goes to jail, pay a fine as the cost of doing business, declare bankruptcy, and if the fine was too big, dissolve, and reform into a new company who would win the same contract by underbidding it. Welcome to privatization. Some things do not belong in the private sector. Worker benefits and pensions need the protection of the federal government.

There is a big incentive available to get private employers to sign on to a plan that moves pension funding completely out of the private sector and into the public sector. Employers pay half of each worker's monthly contribution to Social Security, about 8% of the worker's salary. Move that charge into the general revenue stream. Pay it with the federal income tax. The income tax rate would be increased a little to make up the difference. Worker's would want an 8% raise to cover it. Employers would want to keep the 8%. Negotiations and market dynamics would work it out, but it should

be worth it to both sides to get private employers out of the retirement business. Raising the minimum wage 8% at the same time might work. Raising the minimum wage 1% pushes all wages up 1%. The 8% could also be made up by increasing the maximum income cap a little bit. (No SS tax on anything above the cap....Now about 100,000 dollars per year)

**Expand and Reform Licensing Laws.** The working class gets licensed to death while the ruling class enjoys very limited controls while performing a licensed activity. Licensing can be a great protection for people trying to obtain Desperate Human Necessities, but the enforcement of licensed behavior is skewed to benefit the rich.

You need a license to cut someone's hair, but not to do investment counseling. You can lose your drivers license for being behind on child support, but bankers can stay licensed after getting busted for defrauding people and running bundled mortgage scams. Banks actually have to be licensed, but they are never in any danger of losing one. Bankers pay fines. Workers go to prison.

Here is the big one. **Corporations need permission from the government to incorporate.** Call it a charter, a license, whatever. They are supposed to give up something to get something back. What they get is **LIMITED LIABILITY.** If a corporation makes a defective product and hurts a thousand people:

1. They get sued in CIVIL COURT (they can only lose money there), not CRIMINAL COURT (you can go to prison from there). No matter how many risks the corporation takes, the worst that can happen is a fine, not prison. The fine is just a cost of doing business, and sometimes it's cheaper to hurt people than to make a good product.
2. The amount of money that a corporation can lose is limited to the value of the shares. If you own shares in a corporation that loses a court case, and the judge sets a zillion dollar fine, all you

can lose is your shares. They can not take your house or any part of your personal assets. If the corporation goes bankrupt, you only lose your shares.

Now what does a corporation have to give back to the government in order to get this limited liability. They are supposed to act in an ethical way that promotes the public good, or some such language as that. Somewhere along the line, that part got ignored. I propose that we stop ignoring it. At some point it became easy and cheap to get your company incorporated. I propose that we make it harder. The powers that be have never seriously considered revoking a company's permission to incorporate for bad behavior. I propose that we start doing a lot of that.

Workers have to appear regularly at the DMV and prove that they are still entitled to their driving privileges. British Petroleum needs to be required to show up in a government office once a year and prove that they still deserve their limited liability. If they feared revocation of their limited liability, they would think twice about cutting corners with safety.

**It is time to reconsider our laws of incorporation.** We don't have to stop incorporating companies altogether, but we need to make law enforcement as strict for the investment class as it is for the working class. We also need to bring criminal charges against white collar criminals, and not just file civil charges that are limited to fines.

It is time for real **tax reform**. Taxes fall lightly on the investor class, and heavily on the working class. Investors pay about half the tax rate of their office staff because investments are only taxed at about 15%. **Not only should investments be taxed at the same rate as income, there should be a small transaction tax on every stock purchase.**

**Sales taxes are regressive.** They affect the rich less than anyone else because most sales tax revenue comes from consumption purchases. People with lots of money can spend a lower portion of what they earn on consumption. If you have to spend everything you earn on groceries, rent, gasoline, and shoes, you pay sales tax on all of it. If you can save half of what

you make, that half gets taxed at a lower rate. Sales taxes increase the gap between the rich and the rest of us.

Regressive is the opposite of progressive. The income tax is progressive. That's why the rich move their income out of the income tax column and into the investment income column. This also jams up the economy by taking cash out of the economy that could be used to create jobs. If you tax people MORE when they make jobs than when they sit on the cash, they are going to sit on the cash.

**There should be no sales tax or federal income tax on Desperate Human Necessities.** A corporation can deduct an expense for almost anything, while a worker can deduct almost nothing. A corporation can deduct an expense for an executive lunch, but a worker can not deduct the cost of gasoline to get to work. If you buy a beat up old car from your brother, you have to pay sales tax. If he sells it back to you in a week, the tax is due again. Stock brokers trade stocks by computer back and forth at the speed of light. No sales tax.

**The federal income tax home mortgage deduction should not apply to mansions.** We need to cap the deduction at say 200,000 dollars. No deduction for any value over that. A home is a Desperate Human Necessity. A mansion is not.

**Education should be funded from general revenue, not property taxes.** Funding schools with property taxes when schools are segregated into local zones creates educational inequality. Wealthy people will do anything to give their children an educational advantage. They do this by funding local schools with property taxes. This is unfair, but all parents are forced to play this game by a system that they did not create. If they do **not** buy a home in the most expensive school zone that they can afford, they put their children at a disadvantage. Even wealthy parents would benefit from stopping this game, and by funding schools equally from general revenue.

**If we have a tax deduction for buying a home, then we need a tax deduction for paying rent.** Taxing rents but not mortgages is regressive. Low income people rent. They pay off the mortgages of their landlords, who can deduct the interest from the very same mortgages.

Even landlords would be happy to see a federal income tax rent

deduction, as it would make it easier for their tenants to pay the rent. Now would landlords take advantage of the deduction by raising rents? Yes, just like home sellers raise the price of homes with the extra money home owners get from the mortgage deduction. The only change is that the new policy would give renters the break that buyers already have.

Low income people pay taxes on everything they earn, almost everything they buy, and almost all of what they buy is a Desperate Human Necessity. **Taxes need to become more and more progressive, and taxes on Desperate Human Necessities need to go away altogether.** If we don't stop paying the rich to take cash out of the economy, even the rich will suffer from the subsequent economic collapse. We fell for the trickle down scam, we cut upper income taxes, but instead of creating jobs, the wealthy stuffed the extra cash in a mattress in the Virgin Islands. Reversing dumb tax policy is not enough. We need new laws to prevent it from happening again.

### **The case for completely nationalizing the oil companies.**

Many nations have government owned oil. It is hard for a private oil company to compete against sovereign nations. Oil wars get us in more trouble than anything else. Since it is the public sector military that has to fight the oil wars, the public sector should be able to call the shots. Private oil profits should not figure into decisions to go to war. This is a classic case of nationalizing the cost and privatizing the profit.

US oil actually belongs to the people. Private oil companies buy it from the government and then sell it back to the people. And most important, private oil companies do everything they can to keep the price as high as possible. This is not only a punch in the gut at the gas pump, it is a drag on the entire economy. The feds could set the price of gas at the pump just like they used to do with other utilities like electricity and natural gas for homes. Just the threat of nationalization would motivate the energy companies to keep prices low.

In the US, half of the oil goes to the military to fight oil wars to keep the price of oil UP. When we send the military into an oil producing nation, it



cuts off the oil being pumped out of there. Lower supply worldwide means higher prices.

If Iraq pumps more oil than the Saudi royal family wants, they send in the US military to stir up conflict and disrupt production. I believe that we send our troops to their death to keep the price of oil UP. Private oil has a conflict of interest with the safety of our troops. The oil wars actually make us less secure, because they waste our military resources and poison our reputation in the world. Do this: Look up a chart of oil prices over the years and mark the oil wars on the time line. The price went UP during those wars.

Now think about it. If this is not what the investor class wanted to see happen in those wars, why do they keep doing it over and over? If people understood that the goal is to prop UP oil prices, there would be no public support for oil wars, and if we kept getting them anyway, that would produce public support for nationalization.

### **What would the economy be like with public sector protection for health care, consumer banking, energy, and pensions?**

30% of labor costs are in worker benefits. Firewall Economics takes the responsibility for health care and pensions away from private sector employers and moves it to the feds. What employer would object to that? There is a trade off though, and workers will like this. You could change jobs whenever you wanted, without messing up your health care or your pension. I think FE is a rational good deal for labor **and** management. If an arbitrator decided to find a compromise that both sides could live with, this would be it. Employers should not have to be responsible for health care and pensions, and employees should be able to change jobs any time they want.

These four markets are only a fraction of the total economy. There are plenty of other markets left for private sector profit taking. Restricting markets for Desperate Human Necessities is not only morally logical, it's not expensive. I believe it would actually be profitable for the private sector by creating a big economic stimulus. Investors could simply move their capital into other areas that are not DHNs, and are therefore not eligible for federal oversight. Firewall Economics does not need to kill capitalism. It only wants

to trim it's toenails.

I'm asking for a little socialism that is walled off in specific areas. Republicans are going to fear a slippery slope. Again, I anticipate the argument that Firewall Economics is itself an implementation strategy for socialism. That's what the republicans said about Social Security in 1935, and Medicare in 1965. The truth is, we adjust the relative levels of private vs public sector government involvement all the time. In the past 30 years the republicans have reduced the public sector to the smallest it has been since the Great Depression. I just want to get some of that back. The idea that we could be on a slippery slope, to where the private sector would be too small, is ridiculous.

What's new about FE is that instead of turning up the public sector on the entire economy, the increase in the public sector would be restricted to Desperate Human Necessities. This is an attempt to be rational about mixing the economy, instead of being competitive and completely political. We don't have to increase the entire public sector in a recession, just in the places that prevent hunger, sickness, homelessness etc. If you lose your job in a recession, your health care and pension are protected. When the recession is over, you can pick up where you left off. Under the current system, recessions cause permanent damage to families.

How about a constitutional amendment? Suppose we get widespread approval for taking Desperate Human Necessities out of the private sector. A constitutional amendment might actually be the easiest way to implement Firewall Economics. Who am I to say that it's a long shot. We are going to get an amendment soon to legislate that corporations are not people. We got a quick amendment to move the voting age to 18. There was a time when giving women the right to vote was considered a long shot.

An amendment would be easier than passing a separate bill for each market individually, and I am for it, but I would predict a slower implementation strategy at first. After voters got protection in one market and directly experienced the added security, I think the idea of an amendment might become popular. A slower implementation would also give investors time to move capital from DHN markets to other investments.

**A word here about so called government bailouts.** They should be called private sector bailouts. The government doesn't get bailed out, private sector markets do. The public sector bails out the private sector. Don't forget that the private sector competes with the public sector. The public sector is potentially far stronger, and that is why the private sector tries to shrink it. That is, until a private sector dominated market goes bust. Here we go again with publicize the risk and privatize the profit.

When a private corporation asks for a bailout, they actually want the bailout under conditions that are completely unfair to the public sector, and the taxpayers who fund it. When a private sector company becomes unprofitable, they want to take money from the government until they can show a profit again, and then kick the government free without offering anything in return.

The government doesn't set enough conditions for the deal. When the feds bailed out GM, they could have cut a deal that forced the company to play fair with the union, keep providing pensions instead of IRAs, stop outsourcing jobs, etc. They could have forced them to start making cheaper electric cars. They could have taken over the company and kept it in the public sector. The taxpayers had to buy the factory. The taxpayers had to pay for it. They should have been able to keep it. The only time the people get to own it is when it's unprofitable. The people have to fix it, and then give it right back.

**These bailout situations are opportunities for nationalizing markets for Desperate Human Necessities.** I can not think of a better way to determine what markets the private sector can't handle. When a private market for a DHN goes belly up, nationalize it. And remember, Firewall Economics is not about nationalizing everything, **only the small fraction of the economy involved in the provision of necessities.** I say that last part a lot, because that is the part the republicans are not going to hear.

When the banks exploded, we only needed to nationalize consumer banking, not commercial banking too. Commercial banking is NOT too big to fail unless it is allowed to take consumer banking down with it. When we bailed out the banks, we should have insisted that in return, we get either a

reinstatement of the firewall between commercial banking and consumer banking (Glass-Steagall), or a nationalization of consumer banking.

**The best way to implement FE might be to buy these markets from the private sector on the cheap, when they need a bailout.** That would scare private sector providers away from price gouging and excessive risk taking. Not only would the government not be there to bail them out, the government would be waiting to nationalize them. The public sector does not have to force the private sector to do anything. The government can just wait until the private sector approaches them.

Could Firewall Economics be implemented at the state and local level. Why not? California could go first, but they always get to go first. Let Massachusetts go first. A state would be an ideal place to start, because we could compare the results with other states that still allow profit taking in Desperate Human Necessities.

**How about running a computer simulation to test Firewall Economics before implementation?** Using computer simulations to test economic models is just starting to happen. I am researching it now. I am looking for a university that does computer simulation in economics so that I can estimate the cost of running one and develop a plan to secure the funding. Crowd Sourcing may be in order.

## CONCLUSION

Here is a book by a social worker that thinks he has the next stage in the dialectic evolution of economics. Feudalism-Capitalism-Socialism-Firewall Economics. I have been massaging this idea for 30 years. There are only two possibilities. I either found something useful, or I have delusions of grandeur. I might be delusional, but I am not afraid to hold this up to the world. This is a good idea.

Before the internet, lots of good ideas never had a chance to be heard. The gatekeepers screened out anything that might offend the ruling class. The internet changed everything, but there are tradeoffs. Now that anyone can be published, the sheer number of publications has become staggering. A good idea still needs a lot of luck and a little help from social media. I can not market this idea by myself. It will depend on other people passing it on. I will be doing all that I can to make copies of this manuscript as close to free as I can. The only thing that I am selling is an idea. I don't need money from it. I have no boss to please. I can say anything I want. There is no editor to cut something out.

I have a website for Firewall Economics where I post my blog. I like to apply FE to breaking news and show how problems are frequently caused by profiteering in Desperate Human Necessities. Take a look at [firewalleconomics.com](http://firewalleconomics.com) If FE appeals to you, pass the link around, write congress, take control of the water cooler, and please vote each and every time.