



ARE YOU STUPID?

MIHAI NADIN

A SECOND
REVOLUTION
MIGHT SAVE
AMERICA FROM
HERSELF

ARE YOU STUPID ?

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Sign and Value

The Art of Art

Adventure in Shakespeare's Universe

The Civilization of Illiteracy

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Return to Zero

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Suspension of Gravity

The Privilege of Memories

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For more information, see www.nadin.ws and www.areyoustupid.us

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Mihai Nadin



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None are so hopelessly enslaved,
as those who falsely believe they are free.

Goethe

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INTRODUCTION

A PORTRAIT IN CONTRAST

Somebody (not de Tocqueville, the usual suspect) said it: *America is great because she is good. If America ceases to be good, America will cease to be great.* While still great, America is getting less good, noble intentions notwithstanding. There are many reasons for this. Stupidity—a strong word, easy to misinterpret—is one of them. This book examines the American system in order to understand how and why stupidity is stimulated in a context of prosperity (more illusory for some Americans than for others). The focus is on the process leading to the alarming, but inevitable, stupidity of the most free and successful society on Earth. This introduction—a portrait in contrast—suggests a context. I wish I could offer the reader a juxtaposed, parallel text: *The Good American in Action* and *The Stupid American in Action*. Against all the odds, they belong together.

The Good and the Great

You can't find a more dynamic society. Still a young country, America is home to some of the most impressive accomplishments in the history of humankind: inventions, works of art and writing, athletics. Its museums are among the world's best and best known. Its symphony orchestras, operas, and theaters rank high on the international scale. The best conductors, soloists, and ensembles seek to perform for the American public. Hollywood remains the international capital of moviemaking. On television screens around the globe, including in countries that hate the USA, American programs are still the most popular. In the "best-of" category (or close to), one can point to computer technology (conceived, but rarely produced here), design, fashion, and definitely shopping. America is the leading exporter, and might increase its share on account of its vast energy resources (shale oil, natural gas). American farmers feed a large portion of the world. Every business has or wants a foothold in the USA. Even after the Great Recession, the market called America remains more attractive than any other. Direct foreign investment, seeking security and profit, increases steadily. The world buys American know-how

at an even greater rate. American universities—with over 700,000 foreign students—and research facilities are successful beyond belief. Many have branches abroad. American healthcare might be the world's most expensive, but its medical achievements, at peak performance, are spectacular. Kings, sheiks, presidents, and whoever can afford to seek treatment here. Every year, the greatest number of Nobel Prizes is awarded to Americans. If Europe holds the birth certificate of the Industrial Revolution, the Post-Industrial Age—the Information Society—has “Made in the USA” stamped on it. American laborers are more productive than any others. More people own their home, cars, businesses than in any other country; more go to college, more (still) attend church.

Statistics qualify Americans as the most charitable people in the world. They help in Africa to fight famine, AIDS, and HIV. The donations sent to the people of tornado-devastated Joplin, Missouri, to Japan, hard hit by earthquake and tsunami, and to Pakistanis suffering from floods are only recent examples of this generosity. The earthquake in Haiti prompted an outpouring of donations and aid. Even the poor share the little they have with those who have less, not expecting any reward. In a heartbeat, Americans help the friendly and less friendly-minded, none of whom they've met, in countries that they'd be hard put to locate on a map.

The awesome beauty of this paradise on Earth continues to impress everyone. And it makes a contribution to the trade balance (over 150 billion dollars worth) through the foreign visitors anxious to see its natural wonders. America's shores are still the most welcoming in the world, even after repeated perfidious attacks. America proclaims freedom and the pursuit of happiness as its goals. The liberties here are equal to none. So are the inequities. But they are subject to public debates with openness inconceivable in other parts of the globe. Diversity, of which Americans are entitled to be proud, and tolerance, often more preached than practiced, reflect the population's willingness to address the darker side of their history. America has done a lot of catching up in quality of life, civil rights, and social programs. Americans have come up with many noble initiatives that were later adopted by other countries and societies. Violations of liberty and human dignity often become American causes, no matter where they arise.

In a recent attempt to define what characterizes America, a young foreign-born political scientist listed the five great virtues of its people as follows.¹

1 Azerrad, David. “Five Great Virtues that Make Americans Amazing.” *The Foundry*. 3 July 2011. Web.

Philanthropy: Americans give more and in greater proportion than any other people in the world.

Volunteerism: Each year, more than 60 million Americans volunteer their precious time to help address every conceivable social ill under the sun.

Faith: People of all creeds cooperate, not merely coexist.

Tolerance: No other nation has allowed minorities to go as far as in the USA.

“The sky is the limit” mindset: With 272 self-made billionaires, who can argue with it?

Of course, successful and less successful Americans (not to mention foreigners) would not take this at face value. Americans are critical. They know that their fellow Americans give, but they also point out that philanthropy is not always without ulterior motive (if only as a tax deduction). They openly ask for due diligence: the monies contributed should not go to overhead and waste, but contribute to improvement. No other country has more hospitals, universities, museums, symphony orchestras, and charitable foundations established by people who made their wealth in the USA and decided to “give something back.”

Americans volunteer. They distribute food to people in need. They travel at their own expense to flood or storm ravaged places to help out the local population. They spend weekends building homes for the poor, for soldiers returning from wars, for people with special needs. True, some of this effort is cleverly monetized to favor the companies that contribute to the effort. This is part of the American success story.

While faith is no longer what it used to be, it remains an American phenomenon that many foreigners do not understand or consider primitive. More often than not, religious belief is the foundation of the positive deeds that Americans carry out in their daily lives. Parents prefer to send their children to schools sponsored by their religious groups because they agree with the values taught there. Religious hucksterism, perfected in the USA, fills giant cathedrals with congregants looking as much for catharsis and entertainment as for spiritual guidance. Stadiums overflow when a major evangelist comes to town for a revival meeting, which is often televised worldwide.

Tolerance means more than progress for minorities. It applies to ideas, views, actions, and values. More laws are on the books that protect minorities, the handicapped, women, children, homosexuals, than in any other society. Laws provide for equal employment and equal housing opportunities; they protect

against sexual harassment and age-based discrimination, and they protect the environment as an expression of responsibility towards future generations.

For the tech-savvy, willing to outgrow American self-sufficiency, the competitive global market is an opportunity no less significant than the “Go West!” call of the pioneering era.

The Stupid American in Action

The stock (and trade) in apocalypse is higher than ever. The USA owes almost more than what it's worth, yet Americans spend furiously on what they don't need. Drag racing, NASCAR, and air shows burn fuel paid for with a credit card that benefits America's enemies, never mind the carbon footprint associated with excessive energy consumption. By now over thirty years old, the Carter Doctrine, intended to secure the free flow of oil from the Middle East, extended American hegemony into the Persian Gulf. It has already cost Americans over one trillion dollars. The money could have been spent on developing alternatives to oil, or at least on ecologically responsible use of resources at home.

Local governments were downsized, towns and cities have declared bankruptcy; some still juggle the books in order to postpone it. Teachers, firefighters, and police were laid off, joining the almost twenty percent of the nation's unemployed and underemployed. Pension plans, worth less than the paper on which commitments were made to those who paid into them, are reneged. Bureaucracy, however, is thriving. Hundreds of redundant agencies, meant to protect the public, act in ways that recall fascism. Trampling the rights of ordinary Americans is the rule, not the exception. By no means the example of highest culpability, the Transportation Safety Agency (TSA) defies the Constitution: “The right of people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated.” The scariest fiction on population surveillance pales in comparison to Homeland Security, which allows the government to continuously best its own violations of the right to privacy. This goes on while some of its agents smuggle narcotics and illegal immigrants into the country. Selling “fast and furious” guns to criminals, even prompting asylum applicants with the most effective lies to be told under oath is not uncommon. Even the military, through whose strength America cows the world, is barely making it. Between opportunistic pulls—rein it in vs. let the warriors loose—it can only hope that more borrowed money (46 cents on each dollar spent) will continue to finance it. The most recent GI Bill is a get-rich-quick opportunity that the owners of newly minted for-profit colleges and universities are not missing. They took

the hint from the new millionaires of the old contract tradition: some fight, others take the bounty. Talk about equal opportunity!

The family life of poverty-stricken Americans is disintegrating: forty percent of their children are born out of wedlock. The divorce rate exceeds the marriage rate, a consequence of “means tested” welfare. Yet homosexual marriage—a stamp of approval in a society that accepted civil union—dominates the public agenda. A loud minority (undeserving of discrimination), comprising 3.9% of the population, turned its economic interests into a civic cause and a major media topic, to the detriment of life-threatening challenges. A much higher number of Americans (almost a quarter of the population), gay or not, are getting old and frail. Society is not prepared for this. America has the most expensive medical care in the world, and the most expensive public school system. They are as inadequate for the average American as the country’s crumbling infrastructure. The generational contract has disintegrated into confrontational inheritance laws and a slew of child protection agencies, which often operate to the detriment of those they are supposed to protect. Meanwhile, one child in five goes hungry, while almost half of the food produced is wasted. Americans dump more food than what many people around the world can afford just to survive. The American Dream, broadcast worldwide, is paid for by the poor in Africa, Asia, and Latin America. Their income is a penny to the dollar an American would make for the same work. To get to the USA, where life is never worse than in their native lands, whether they eventually find work or not, they try everything, legal or otherwise. Hope and desperation keep them patient.

Plutocrats and interest groups (to which members of the exclusive gambling club called Wall Street belong) own the USA. They invest in the business of politics, engineering the outcomes of the government machine, their most reliable client. Politics, as they see it, are supposed to help them achieve the highest profits in the shortest time. At whose expense? The question is never posed. America is *the* sweetheart deal. Revolving-door appointments perpetuate the power of a corrupt political class in full servitude to the super entity that controls global wealth.² Unions, as rich partners of bailed-out industries, act likewise. The ACLU’s pursuit of “Constitutional correctness” has resulted in actions that defy common sense. Its name strikes fear and loathing in every level of society. In its footsteps, the NAACP and the Urban League confuse civil rights—by no means effectively extended to all—with discrimination due to gender, sex, or illegal alien status.

2 Vitali, Stefania, James B. Glattfelder, and Stefano Battiston. “The Network of Global Corporate Control” *PLoS ONE* 6(10): e25995. 26 October 2011. Web.

They turn their backs to their constituency: the unemployed, the failing Black family, the victims of gangs and drug dealers, children born out of wedlock (seventy-five percent of all Black children). Already sentenced to grow up in poverty, ignorance, and violence, these youngsters often end up in jail.

The greatest economic disparity among White, Black, Hispanics, and Asians just became a matter of record: the average wealth of a white family is \$113,000, of a Black family, \$5,677, of a Hispanic household, \$6,325.³ This follows forty-seven years of the “War on Poverty,” with a price tag of over 17 trillion dollars. (All the military wars won, or lost, during the same time cost less than 7 trillion.) Not an encouraging premise and promise for social and racial harmony. The record shows that in 1975, the Congress was paid an average of \$42,000 per annum. At that time, the average American wage was \$30,000 a year. More recently, wages average \$28,000 a year, while Congress members are making over \$174,000 a year.

After one trillion dollars was spent on the War on Drugs, more illegal substances, affecting many destinies, are there for the asking. Legal marijuana is dispensed through the new compassion “start-ups” in many states. In California, growing and selling marijuana has become one of the most successful businesses. Of the forty-two percent of Americans who get stoned, only those few who are apprehended for drug dealing end up in jail. In America, the real crime is getting caught, whether it’s cheating, lying, theft, rioting, vandalism, child and sex abuse, corruption, blackmail, or bribery. Perjury keeps you in good standing as a president, Congress member, or government official.

Historically, Americans have acted in (relative) unity only under extreme circumstances, mainly wars. The American Revolution, driven by principles, not need, was such a moment: only a minority supported independence from England. In the discourse leading up to the Constitution, the founders affirmed a new order for a new world. New also was the Union of States as an *economy*—a market, not a country or a nation. Though democratically inclined, America never effectively became what it was never intended to be: a true democracy.

Voting became a matter of money and social engineering. Now, the outcome is not a mandate, but a return on investment. Votes were not and are not equal. Equality before the law is impossible as long as justice remains unaffordable for the majority.

3 Pew Research Center Analysis of Census Data, 2011.

Through well-timed tax reductions, economic stimulus measures, and unemployment benefits, incumbents bribe voters with their own money. Voters, a minority of the population, don't seem to mind. Adam Smith's American progenies, pursuing their own interests—which they magically pass off as social well-being—reject sharing. That would be socialism, a system they do not understand, or intentionally misinterpret. Their system, based on self-interest, is supposed to do the opposite. Paradoxically, they do not reject entitlements: more than half the population—from rich to poor—is dependent on them. Self-reliance became a joke. Dependence on government is premeditated and deepening. Subsidized housing and agriculture, cash welfare, food stamps, and healthcare for the poor (those claiming to be so) have almost doubled in the last 30 years, as have subsidies for the rich. The ship is sinking; the coalbunkers are empty, the crew is hoarding what's left. Unfazed by reality, the cruise crowd is singing and dancing. It demands more entertainment: wars (at one time, three simultaneously), human-made catastrophes, pornography and pedophilia, media-made disasters, political duels, murders and divorces among the rich and famous, mind-numbing violence and brutality. Accountability has practically been eliminated. Willful damage to society and the incompetence of those in power are covered by an immunity that monarchs would have envied.

Deliberately blind people, ignoring the consequences of their choices, can only be called stupid. Wisdom can't be expected from such a crowd. The majority of Americans form opinions based on what they are fed by politicians and the media. World champions in meth cooking, Americans assume that the next dose will bring them the happiness that real life (including mindless shopping) refuses them. The threshold of excitement is higher than ever: no TV show is without despicable crime, no games are without wars, no wars without adrenaline highs. Addiction to violence and brutality parallels the seduction of glamour and drugs. The latest thrill is destruction for the fun of it, such as flash mob attacks, "organized" via social networks (invoking freedom of expression). It's no wonder that a Director of Facebook Activities for Government Agencies receives a salary higher than a university professor or researcher. Hot air in social media is expensive.

For the stupid, facts and details don't matter. Stupid also is the acceptance of the pervasive corruption that taints politics as inevitable. Bribing the public with the public's money—another quotation misattributed to de Tocqueville—describes stupidity in action, as the public embraces policies

that end up worsening its condition. Polls reflect the degree of ignorance and lack of interest in matters concerning the public good. Politicians use poll numbers as an alibi for pursuing their own economic agenda, passed off as “good for the people.”

Those unwilling to assume responsibilities for the well-being of the whole of which they are a part qualify as *idiots*. Pericles, the statesman of Athens during its Golden Age, characterized his fellow citizens who focused on themselves as *idiotes*. He had no way of knowing that, at some time in the future, a land to be called the United States of America, so keen on invoking Greek democracy, would trade freedom for the liberty to ignore civic duty.

Living with the illusion of freedom and justice commands a high price. Ethical bankruptcy is part of it. Using civil rights as a cover, the litigation machine discovered the shortest path to easy money. A lawsuit is filed every two seconds in the USA. There is no aspect of life where lawyers will not play ambulance chaser. Class action suits have become paths to wealth, but not for the stupid on whose behalf they are pursued. Not even innovation is spared: “patent trolls” trap inventors in a mire of litigation. With the law, “No good deed goes unpunished.” The fear of a lawsuit makes well-intentioned individuals who want to help now rush by the scene of an accident. Even doctors fear helping out.

In the age of information, Americans grow even more ignorant of history and geography—their own and of other countries. They are not interested in the condition of their homeland, except when they fall for the delirium of conspiracies (“9/11” as a government plot; the Kennedy assassination as a political ploy; the moon landing never happened; Elvis Presley and Michael Jackson are still alive). Despite America’s deplorable indebtedness, people prefer to hear the story most amenable to them: how to get the most, including what they don’t need, at the lowest price. Self-interest overrides principle. There are 56 federal government programs on “financial literacy,” but responsibility for one’s actions is out of the question. Americans expect more and more from the government, which has doubled in size in the last ten years. It currently employs more people than industry does. The economy has to be stimulated. Everything from bailouts to subsidies for wealthy industries (“too big to fail”) is considered legitimate. Entitlements for energy costs, for housing, for bringing one child after another into the world, for cell phones (a new “civil right” to be complemented by the right to game consoles, large TV screens, and GPS devices) are never challenged. One in 18 Americans draws a disability check—meager in comparison to the checks drawn by speculators who, in flagrant dereliction of duty, drove the country into recession.

Almost 50 million Americans get food stamps. If sturgeon and champagne could be dispensed through the Supplemental Nutrition Assistance Program (SNAP—the government pays well for catchy acronyms), millionaires would get them. Some actually do. Close to 1,500 millionaires pay no income tax (according to the IRS’s record of tax returns for 2009). Companies pay more for their executives, consultants, and lobbyists than they pay in taxes. On billions of dollars in revenues, General Electric paid not one penny, taking advantage of every loophole the tax code offers. Fifty percent of Americans pay no income taxes, and don’t care to be represented. Some get refunds on taxes they never paid. That is even better than representation! These Americans still do not know who is in power, and couldn’t care less whether their representatives deserve their many privileges. Caught stealing, lying, indulging in questionable sexual behavior, shamed (Are they really?) congressmen (and women) have their own justice system, just as they have their own healthcare system and their own retirement plan. Even the most corrupt in Congress enjoy retirement benefits that after only five years in office are higher than the lifetime earnings of many taxpayers. Elected or appointed, they play golf, wine and dine, entertain and get entertained, and go on lavish vacations disguised as “fact-finding” missions, all on the public dime. It is “in your face” privileges that bear no relation to performance in office, with no effective liability for risking the well being of the taxpayers who stupidly keep them in power. They vote for increases in their own salaries and benefits. Checks and balances do not exist for the privileged. When the government needs more money, for wars or for spoiling its members (living like the royalty Americans freed themselves from centuries ago), it steals from trust funds paid from the people’s pockets. Consequently, Social Security and Medicare (for which everyone but the political class must pay) are expected to go bankrupt. The thieves who left behind useless IOUs want even more money to save what they ruined.

Corresponding to expectations of democracy, some Americans have the delusion of control or influence, through their votes. Like children on a merry-go-round, they pay for the privilege of holding tight to the reins of wooden horses, with the illusion that they’re steering. Someone else is in control—bought at fundraisers where a dinner costs more than \$35,000. Mind you: the poverty threshold for a family of four was set in 2011 at \$22,350. In 2011-2012, the price tag for the Presidency was over one billion dollars. This gives the president (no matter which party) out-of-this-world privileges. He—still a man, and mortal—goes to the golf course, jogs, bicycles, clears brush, or rides

a horse accompanied by motorcade and security guards. Receptions at the White House of the “people’s president” reek of royal tradition, but at a scale no king or emperor can afford. Presidential vacations add up to millions, while the tax-paying public is unable to prepare for retirement or pay for medical care. Presidential offspring qualify as “senior staff” while still in grade school. Politicians can have it all only because Americans, and those on whose labor Americans live (the Chinese, Indians, migrant workers), are stupid enough to pay for the favor.

Voting for the political class, against one’s own interests, is symptomatic of stupidity bordering on insanity. Demonstrations against the powerful institutions that brought America to its knees—Occupy Wall Street is the latest, but by no means the last—leads one to hope for more political engagement. To demonstrate against the fat-cat elite, however, while endorsing the politicians that the fat cats funded into office and tether through their lobbies is *stupid*. How else could you qualify all those demonstrators calling for more secure jobs from the government after wasting their lives in pursuing the useless? Einstein described the condition better than anyone else: doing the same thing over again and expecting different results. It describes the American status quo to a T.

The political scene is a painful example of a jungle taking over what used to be a garden of contrasting but accommodating varieties of opinions and choices. America was different and accepted the different, but now less. Multiculturalism is loudly promoted, but too often veneer-thin, more of a politically correct show than a substantial reality.

Now that the scale of wealth has changed (along with the scale of the national debt), the billionaires are heading towards the trillions. Their wealth was made on the backs of the millions, not only in the USA, whose wages for honest work have not improved in the last 50 years. Still, it’s true that in the USA, the poor live better and are more protected than the middle classes of most other countries.

The rich, politicians, media pundits, entertainers, educators, drug dealers, hip-hop “artists,” the poor, single mothers, homosexuals, academia, and Hollywood, among others, are often castigated for the sad state of civic and personal responsibility, and for so many other shortcomings at home and in the global economy. Pointing a finger at those who push Americans into a condition of generic stupidity is less dangerous than looking truth in the eye. The “American people as victim”—of the left or right, of religion, of the media, of crooks—feeds self-righteousness. Given the American crisis, it’s time to

face harsh reality. Let's examine the stupidity of Americans, all too eager to give up rights and responsibilities for the illusion of freedom and prosperity. "A chicken in every pot and a car in every garage" turned into "A home for everyone" (Clinton's American dream of 1994, and Bush's rendition of 2002). On the horizon are new "rights": a vacation home, an airplane, servants, surrogate mothers, fame. Spurred by greed and obsession with moving money so fast that everyone imagines having some, the recent recession is only one example of what happens when illusions take over. The poor, served sub-prime mortgages—which made their pushers (some in the government) rich—are now poorer. Indentured forever, ordinary Americans live on debt, like America itself, not realizing that what they assume they own is only the shadow of riches that give the powerful a lien on their lives.

When it is not the target of disdain and hate, America appears as a high-minded promise not kept. Down-rated by Wall Street and its foreign competitors, the government feels betrayed by the big business it protected, and to whom it gave fast access to other people's money. In reality, America is down-rating itself through greed, irresponsible behavior, and moral depravity. The invisible hand of the market reaches deep into the pockets of those on whose account America is envied, but it's deceptive, prosperity rests. Under the heavy weight of its own decadence, the empire it was never supposed to become is beginning to implode.

This is no longer a periodic readjustment of opportunity and risk—casually described as cyclical crisis—but a deeper-reaching process. To ignore its implications could mean irrevocable damage to America and Americans and, by extension, to the rest of the world. Some might take offense at what this book spells out in harsh strokes. To face reality and to suggest a course of action should be more acceptable than complaining.

A Difficult Promise to Keep

The incomplete portrait of the good (and often great) American and of the stupid American provides a context if we want to associate meaning to America's current state of turmoil. The world experiences the USA more through the life patterns of Americans—eager to show what they can do—than through its genuine accomplishments. Despite the failure of what is defined (and idealized) as American democracy, the USA tries to impose it on the world. In a 2011 poll, seventy-seven percent of Americans said that, "Whatever its faults," the USA "has the best system of government in the world." Gunboat democracy defines American foreign policy, as much as its demagoguery. Unbridled sex, violence,

drugs, asocial behavior, compulsive consumerism, the arrogance of power are just a few aspects of American life that prompt criticism, even from nations friendly to the US (by choice or interest).

Light One Candle ⁴

Breckenridge Long is cited as saying, “Shame on him who points at America the finger of scorn. Indeed, the sons and daughters of America have pride in their accomplishments and will resent the utterance of those who do not tender her full glory for it.” Carping at the rosy image does not change the fact that Americans, by and large, feel good about themselves and get quite upset at their critics: “They just don’t understand,” “They’re just jealous,” “They don’t know what freedom is.”

Americans are less inclined toward introspection and self-evaluation. Rationality, integrity, honesty, and even productivity are rather the exception in characterizing Americans in action today, or in defining the goals they set for themselves.

Truth be told, Americans of the first-hour of the Republic and Americans of our time share only a label. Americans believe in the myth of exceptionalism. In 1840, de Toqueville described America as exceptional because it was a first in many aspects. Yet everyone realizes that something is not right in the “shining city on the hill,” whether under God’s protection or tended by its own genius. Hundreds of solutions have been proffered, most emphasizing a return to the founding principles, to the ethos of 1776 and 1789. These Americans don’t realize that the USA was founded in a world more similar to the 1st century than the 21st.

This state of affairs presents a good opportunity to reflect upon an obvious question: Why has all the goodness, never to be downplayed, failed to prevent the current precarious state of America? Let us focus on the American system and the unique way in which politics and economics were interwoven since its beginnings. The chapters to follow will provide a cursory historic perspective of the making of America and Americans. The goal is to uncover structural characteristics that have affected the American narrative. Building upon this, the middle section of the book addresses media, the role of lawyers, education, and the most recent crisis. It concludes with the attempt to show that stupidity is a necessary outcome, in line with the premises upon which America became the most prosperous country in history and the most dedicated proponent of capitalism as the answer to all the world’s problems.

⁴ From the Chinese proverb: “It is better to light one candle than to curse the darkness.”

It would be easy to blame or to demonize Americans—different in their outlook, different in their respective roles in society, different in their goals and methods. So many have done so and many enjoy doing so. Although this book echoes *Tout empire perira*,⁵ a much-repeated prediction, the intent is to transcend historic fatalism. Indeed, if Americans do not wake up, the end of the last superpower on record will be quite similar to the implosion of the Soviet Union. Many would shudder at a comparison of the two enemies, at the perspective of a shared doom. In the Soviet Union, the citizens captive to its romantic revolutionary past used to paraphrase St. Jerome: What is safe if the Soviet Union perishes?⁶ Many Americans—together with many people the world over who believe in the ideal of America—would pose the same questions regarding the USA.

Loving this country of mine, which took me in not as a foster child, but as one of her own, I owe it some suggestions for the reinvention of America. The thought is not new with me. America is doing damage to herself, now more than decades ago, because the system she embodies (capitalism, especially in its post-industrial stage) is self-destructive. America, “the shining city on the hill”⁷ can save herself from her own destructive impetus through a second “revolution.” Gazing into the rearview mirror might prompt only reform where radical change is necessary. A second Constitutional Convention of authentic, not self-appointed, representatives, could synchronize the USA with the present, so obvious in its many accomplishments, but so lacking in social and political direction. More importantly, it could prepare the country and her people for the future of ever-faster change and new opportunities in an integrated world.

Americans from all walks of life, preparing themselves to meet the radical challenges of post-industrial capitalism, even of post-capitalism, could give the USA a second chance to affirm itself as the better hope of humankind.

It will not be an easy journey, but it is worth trying. The first American Revolution promised so much. The second could redeem the promise. A second revolution—reform will not do—might transform “We the People” into the reality it has yet to become.

5 The title of a book by the French historian Jean-Baptiste Duroselle.

6 *Quid salvum est si Roma perit?*

7 President Ronald Reagan used this description, taken from Jesus’ Sermon on the Mount, to describe America. In 1630, John Winthrop, first spoke these words to describe the Puritan Massachusetts Bay colony. President-elect John Kennedy reiterated Winthrop’s words before his inauguration in 1961. In all cases, the speakers refer to America’s exceptionalism.

THE DEMOCRACY AMERICA NEVER WAS

I

WHAT A COUNTRY!

In exclaiming “What a country!” Americans express their pride. They are part of something very special. The country of “country music” (so different from the country of Cajun music and Creole cuisine, and all so different from Amish or cowboy country, and from sovereign Indian reservations, and from hundreds more, all exciting and unique) can make you feel just great. The expression is also used as self-irony, as in “What a crazy place!” Only in America are the most daring explorations of the new, as well as dedication to the past (bordering on the primitive) simultaneously acceptable. One does not need to generalize Abu Ghraib—a raw nerve still difficult to live with—as the face of the American GI, or even as the face of America. It would be unfair to do so in view of so much evidence to the contrary: medical facilities and schools built in Iraq and Afghanistan, and numerous development projects around the world. In the USA, “What a country!” can be a verse in a patriotic song, the name of a gun dealership on the Internet, or the name of a promiscuous transgender sex club. Who can say what is good or bad? Who is to judge what is right or wrong? In the land of abolished authority, everyone knows better. To love or to hate America, to defend her or join enemies in denouncing her are part of a continuum of explicit relativity as old as America herself.

Although the initial euphoria over the freedom experienced in settling the new continent has not diminished, at difficult to predict intervals, the USA manages to hit bottom. When it happens, Americans switch from euphoria to despair, extremes that defined the American character early on. Still animated by the pioneering spirit, they try to lift themselves out of the hole they fell into, either through their own errors or because others pulled them in. Others cry for help, or take it for granted that someone owes them the success they did not achieve on their own.

All in all, Americans of all conditions have, over time, progressively surrendered freedom—their privilege—for more help from the government.

As time went by, their skills for surviving as free individuals diminished.⁸ Consequently, some of them, not only the poorest, became dependent on the government. Human quality consisting of a moral profile, civic responsibility, initiative, and political commitment is well below the quality of computers, digital cameras, guns, and automatic weapons to which Americans have access. This cuts across all segments of the population. Speculators, billionaires, academics, politicians, construction workers, farmers, the stars, the unknowns, and the anonymous persons and programs that have taken over the digital networks all exercise idiocy as though it were a right granted by the Constitution. They assume that if they are in trouble, somebody will save them, no matter what. For them, liberty means the right to do harm to anyone, including themselves, free of consequences. Their forefathers could not afford this; it would have affected their survival. Today, however, “We’re Americans” means “We have the right to behave idiotically.” There is no law against being stupid or impertinent. To a great extent, the crises that America is enduring are the expression of a freedom associated with less and less responsibility.

Paradoxically, as we Americans become more skeptical of the government, we are slowly becoming more dependent on it. Abuse and corruption at a scale that has made other nations—England included—infamous are accepted as unavoidable reality, even in the land of freedom and opportunity.

Those very few who went through the Great Depression and who are still alive might see the crises experienced since then as unworthy of the gloom-and-doom attached to them. They were called cyclical, and up to a point, they lived up to this qualifier. The USA did not come to an end when it faced its early economic crises (1783, 1819, 1837, 1873), or when the financial markets collapsed in the Great Depression of 1929. And it will probably survive the dire predictions of all kinds of catastrophes to come. The most recent prediction (with more to come, no doubt) declares America’s downfall by 2025.⁹ Fueled by economic arguments, more battles, disguised as political confrontations, will be waged, and might get progressively uglier. Dysfunction, nurtured by corruption, will further corrode the trust that more idealistic Americans continue to have in each other, and even in some of their institutions. To play on someone’s anecdote: If the Irish were left alone in a dark room with a pile

8 Crabtree, Gerald R. “Our Fragile Intellect.” *Trends in Genetics*: 13 November 2012. Web. Part I. *Trends in Genetics*, 2012; DOI: 10.1016/j.tig.2012.10.002 Part II. *Trends in Genetics*, 2012; DOI: 10.1016/j.tig.2012.10.003

9 Buchanan, Patrick J. *Suicide of a Superpower. Will America Survive to 2025?* New York: Thomas Dunne Books, 2011.

of money, they would save Ireland; Americans would take the money and run with it—and then go buy, at fire sale prices, what’s left of Ireland.¹⁰

Holding Together What’s Coming Apart

The expression “What a country!” or perhaps better, “What a people!” as in, “What a guy!” (“What a character!”), or “What a woman!” (meaning that she’s sexy, more than anything else) is subsumed, with all its implicit prejudices, in “What an American!”

It is impossible not to notice that with this shift from the aggregate image to the individual—in the most individualistic society in the world—a certain discomfiting realization insinuates itself. “What a country!” means, in the end, a plural: it means the many countries that Americans experience as the different laws and regulations of each state. Differences go back to the colonial period, when each colony’s economy was shaped by geography and the settlers’ backgrounds. State sovereignty, advanced in the Articles of Confederation, and a model of a loose union remain with the USA; parallel sovereignties, including the sovereignty of the Indian Nations, are at work. This creates a difficult balancing act. Varied practices of religion, and a very diverse culture make for even more contrasts. It is in the “Wow!” of “What a country!” that Americans realize how New England and California are a human continent apart, and the South is a world in itself. “Don’t mess with us!” means “We do it our way! Don’t try to change it.”

Only in America, the title of Harry Golden’s 1958 book about the great things that can happen here, could have just as well meant that which does not belong together. Under the American system, Hawaii and Vermont, or California and Maine can eventually become dependent on one another. America, incompatibilities notwithstanding, is an entity without precedent: a homeland to individuals flag-waving to the rhythm of the national anthem, but refusing nationalism. Others make fun of the flag and anthem while making patriotic pronouncements. “Only in America!” means a place where nothing is forbidden, nothing condemned (unless you are not an American), even if this undermines the nation or her image in the world. Freedom made the project known as America successful beyond expectations, but also extremely fragile. Within a week after the elections of November 5, 2012, twenty states filed for secession from the Union on the White House petition website.¹¹ Within two weeks, petitions had been received from all fifty states.

10 Lewis, Michael. *Boomerang: Travels in the New Third World*. New York: W.W. Norton, 2011. See also: <<http://www.thespec.com/print/article/613484>>

11 Miller, Jake. “States Petition to Secede from Union.” CBS News. CBS Interactive. 12 November 2012. Web. <http://www.cbsnews.com/8301-250_162-57548572/states-petition-to-secede-from-union/>.

The inability or unwillingness to hear what someone else is saying, i.e., the impossibility of true dialog, defines idiocy. The idiot acts according to a simple rule of thumb: "I am entitled to say and believe whatever I want. If you don't agree with me, I'll make sure no one hears what you have to say." A variety of factors can be identified in the idiotic attitude, ranging from "I don't care what others say (or think)," to the inability to realize that one is acting in an idiotic manner. Idiocy, as an expression of unreflected freedom, is not the exclusive prerogative of those caught in the painful snapshot of Abu Ghraib. "What an American!" will be forever tainted by Abu Ghraib, the infamous prison in Iraq where, among other shameful and painful goings-on, American soldiers took photos of Iraqi prisoners in humiliating sexual poses. These kinds of transgressions, there and elsewhere, are proof of the same lack of character and plain stupidity in too many Americans of all military ranks, from foot soldiers to four-star generals. The excuse that the GIs invoked for such actions should be noted: "Cool down, we do the same at home. It's part of our culture." They could have added, "This is how we are. This is what we became as a result of the choices we made in a society in which we are free to make them without having to worry about consequences." The brutality of Abu Ghraib is no different from the brutality of daily life in the USA. This is how America was settled and fought its way to independence. Circumstances explain the beginning: everything (weather, nature, scale) was extreme compared to the homeland left behind. Choices deliberately made, as the colonies matured and in the years leading to the Union, explain why initial methods morph into a system that justifies brutality as consubstantial with survival. Freedom as it is realized stands in stark contrast to freedom as the lofty goal set forth in the Constitution.

The Americans of the country's beginnings would be quite disappointed in their latest descendants who, only a few centuries later, apply for start-up funding before they even start anything.

None of the trailblazers, or pioneers, or even the Sooners would have dreamed of this.¹² They had to survive, petitioning God (not the central State) for help when they could no longer help themselves. Their freedom was a hard-won privilege that they wanted to maintain for their own kind. As time went by, they grudgingly extended it to "others," whose efforts the American system exploited in order to succeed. As challenges increased in the pursuit of even more ambitious goals, Americans faced a dilemma: make it on their own or fail on their own. The poor had no choice; the rich bought themselves choices.

¹² "Sooners" is the name given to settlers who entered the unassigned Oklahoma territory before it was officially open to settlement in 1889. The name was also applied to settlers who occupied a piece of land the night before a land run in order to cheat the competition and claim the land they preferred.

The American Way

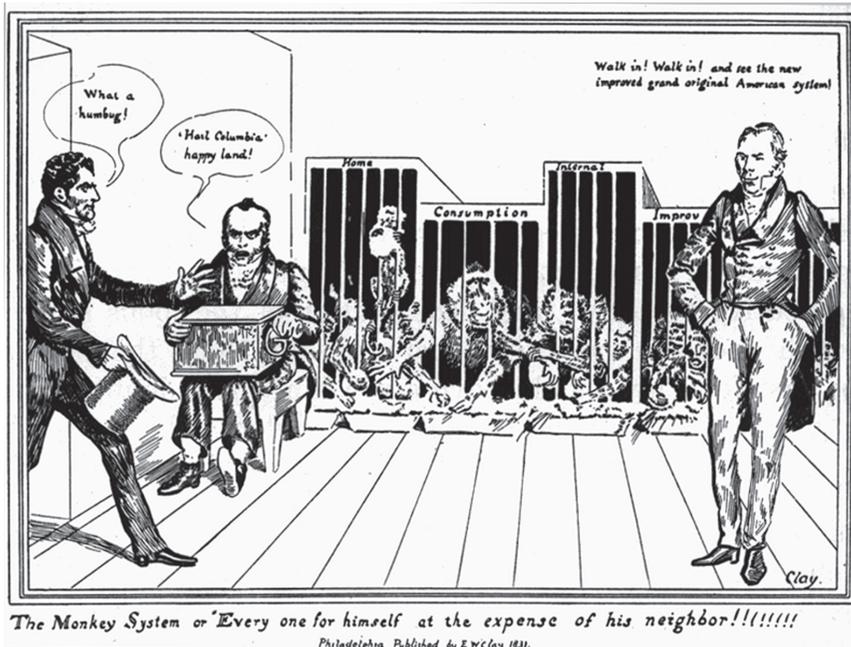
The system was established for this type of functioning: economic goals disconnected from what Adam Smith called “moral sentiments.” Smith remains unmentioned during the Constitutional Convention. Nevertheless, “the nature and causes of the wealth of nations” were on the minds of all the men present. Theirs was to be the politics of wealth. To pursue one’s own interests is to contribute to the public good: this is the “magic formula” based upon which the USA became what it is today. Intentions count marginally, if at all. If this sounds like the description of the free market, it is.

Through the Constitution, political life was transformed into a free market process, and this has become the American system. Within the ideal free market—an illusion at best—whatever is of use to others is priced accordingly. Social responsibility (e.g., worker safety, product safety, protection of the environment) does not figure in this picture. Once freedom is subject to regulations, intended either to open opportunities or to protect those in a weaker position (“create a level playing field”), the free market is “corrupted.” Each intervention affects the outcome of market transactions and behavior. The actual freedom associated with markets is the result of constraints introduced into market dynamics. Slaves had no freedom; their liberation “constrained” agriculture in the South.

Eventually, the American System, i.e., free markets intended to serve American interests, made it into the political vocabulary as The American Way. After 1815, the Democratic-Republican Party (take note of the unifying hyphen) advanced a model of federalism inspired by Hamilton’s ideas. It combined protectionism (in the good old English tradition), stimulus money (for infrastructure), and a central bank to foster commerce. A caricature entitled “The Monkey System or Every One For Himself” has Henry Clay, proponent of the system, inviting the public to “Walk in and see the new improved grand original American System.” Monkeys in cages (they could as well be caricatures of real persons) steal from each other. At that time, Consumption (with a capital C) already figured among the goals of the system.

The system’s underlying structure is relatively simple: the British model practiced in the colonies was continued in the independent states. Bifurcated authority (the Crown and the colony) became federal and state authority. Royal appointments were no longer issued in London, governors and state legislators were elected. On the federal level, the British triadic model of independent and co-equal branches of government—legislature with two

chambers, an executive and a judiciary—was also maintained. The one exception is that in America, a president heads the executive branch. Given the nature of the system and how it works as a free market, it was not unexpected to hear from one of America’s admirers (de Tocqueville) that he was skeptical of the outcome. “Until men have changed their nature ... I will refuse to believe in the longevity of a government whose task is to hold them together ... to keep them from falling into rivalries, plots and struggles, and to bring together their independent wills into action for common plans.”¹³ Nonetheless, the system proved to be quite resilient.



Hanging Out Dirty Laundry

To ask “Are you stupid?” is tantamount to asking, “Have you handed over your independence to those in power?” Moreover, it begs another question: “Have you given into, or let yourself be deluded by, enticements dangled before the people?”

To address this issue to Americans is not easy. It would have been much tougher in the 18th century, because nobody would have entertained the thought. The authors of the Declaration of Independence and those of the Constitution

¹³ Tocqueville, Alexis de. “What Are the Chances of Duration for the American Union? What Dangers Threaten It?” *Democracy in America*. 1831.

suggested a development in which progress, invention, innovation, and the human condition were interrelated. They were probably less realistic than their admirers of the time thought, and their current admirers still think. The statement “Our Constitution was made only for moral and religious people” proves the point.¹⁴

A condition of freedom, as a privilege to be safeguarded, was ascertained in America’s founding documents. A condition of multiplying dependencies on federal and state authority, and on the oligarchy, more drastic than usually acknowledged, defines the present. When contrasted with America’s scientific and technological progress, this difference between the ideal and the actual human condition is indicative of moral regression. In the small worlds of extremely segmented colonial and post-colonial times, networking was a matter of life and death. The settlers depended on family, friends, and neighbors. Today, social networks are fashionable, but not existential. Anonymous or not, you collect friends as trophies in competition with others, not because you care for them or because they make a difference in your life.

There is no need for us to condemn the means—a reaction often indicative of a cultural gap. Rather, the effort to understand a human condition of prodigal behavior raises the need to understand what has changed the USA since it came into being. Individual independence and the associated sense of responsibility have been bartered for yet another illusory right: the right to abuse others. The suicides of a teenaged girl and of a homosexual college student forced out of the closet are only the most obvious examples of the process described above.^{15,16} Economic success on the basis of unlimited freedom to innovate is no justification for suspended moral and social values.

To explain: consider the enormous military power (technology) of Nazi Germany in relation to the level of human responsibility of the German people in the Third Reich. It is comparable to the relation between the new digital technology and the citizens it claims to empower and engage. In neither case did advanced technology lead to a more responsible human being. For those who cannot understand this, check out your daily spam; check out the immense

14 Adams, John. “Message to the Officers of the First Brigade of the Third Division of the Militia of Massachusetts.” 11 October 1798.

15 Maag, Christopher. “A Hoax Turned Fatal Draws Anger but No Charges.” *New York Times*. N.p., 28 November 2007. Web. <<http://www.nytimes.com/2007/11/28/us/28hoax.html>>

16 Heyboer, Kelly. “Rutgers Freshman is Presumed Dead in Suicide After Roommate Broadcast Gay Sexual Encounter Online.” *The Star-Ledger*. N.p., 29 September 2010. Web. <http://www.nj.com/news/index.ssf/2010/09/hold_new_rutgers_post.html>

cost of preventing identity theft and other forms of abusive behavior (some leading to loss of life). Of course, not all of these injustices are committed by Americans. But they all carry the imprint of the current American system: the promise of unchecked opportunities and unlimited liberty against the background of intrusion, through state authority and the market, in everyone's life. Nobody should be surprised that under such circumstances the urge to do damage, as an expression of freedom, is taking over the drive and opportunity to cooperate. Zookeepers fall prey often to animals considered tame after years of benevolent captivity.

After the monarchy was done away with, a minimal federal government, with limited authority, was established. Authority was not supposed to become a self-serving regulatory machine. During America's growing pains, the emphasis was on the individual (especially the privileged owners of property and capital). During America's rebellious phase, central authority reinforced itself. The tenor was: The South cannot secede, states must be prevented from going their own separate ways, the USA must go on together. As the homeland matured, it became part of the larger family of competing countries. In this context, Americans handed over more and more authority to the central government. They could not cope with the dangers and challenges to which capitalist growth, always at the expense of the less successful, gave rise. Trading off self-determination and the skills associated with it—intelligence included—Americans ended up more secure in their growing stupidity. *And less able to adapt to change.*

Today, "Only in America" is survival guaranteed. Survival became an entitlement. Consequently, responsibility and moral rectitude are useless as a foundation for cooperation. Self-interest, based upon which free markets are supposed to succeed, is no longer part of the common good, because it does not pay to try harder.

"It's the stupid, stupid" could be the slogan for this book, with the proviso that the subject is the stupidity generated within the project "America the Successful." In other words: Why, after more than 235 years of defining a new society, have its members, though more effective than ever, failed to become better human beings? The Founders, well-educated in classical philosophy, readers of the French Enlightenment writings, and well-versed in the evolution of the English government, were betting that we would. Freedom was supposed to generate trust and to foster virtue. They set up an idealized system with little room left for abuse. The gap between performance—movie stars,

surgeons, sport aces, scientists, high-league politicians, artists, entrepreneurs, you name it—and human quality is so drastic in post-modern America that to further ignore or deny it endangers the country's future. For the sake of clarity: Human quality includes, among other things, a sense of belonging, ethics, rejection of mediocrity, and willingness to share. It means to challenge, to improve, to understand one's own actions and those of others. A sense of responsibility, corresponding to freedom, makes freedom meaningful.

The system, as initially designed, has reached the peak of its capabilities. We are at the climax of post-industrial capitalism and moving towards post-capitalism. The free market is a jungle, or, if you prefer, a Darwinian playing field: you “make it” or not on the basis of your strength and abilities, intelligence included. This market has broken down at increasingly frequent intervals. Each breakdown triggered cries for help. The scale of successive economic failure was greater than what individuals, companies, and communities could remedy. Faced with this reality, Americans were happy to hand over some of their rights to the central government, whose presence in their lives they had once adamantly rejected. The analogy to the jungle's morphing into a zoo illustrates the point. Animals in a zoo no longer face hunger, hunters, or the savagery of their natural predators. Natural intelligence and survival skills are of only marginal use. Sadly, they adapt their skills in order to please visitors and their keepers (one reason why zoos provide more entertainment than educational value). Over the years, Americans have lost some of their intelligence and ability to cope with change as they started surrendering independence to the central state model, acceding to the model of the parent who takes care of everything, if you obey. This was exactly what Americans during the Revolution fought hard against. Animals in the zoo have lost their sense of reality, forfeiting the competitive edge they had in the jungle. In our time, “Only in America” means the pursuit and protection of capitalism as a wealth machine, to the detriment of authentic freedom.

People and governments around the world can be upset with America (for many, their biggest client), but their anger will not bring its demise. It will, however, affect America's continued slide downward. Upset or not, people and corporations around the globe want to do business with the USA. They want to be in the land where opportunity, which their own governments severely limit, allows so many of its immigrants to succeed, to partake in prosperity, no matter how transitory. Nevertheless, nobody should take comfort in believing that the USA is too big to fail. The inability of the USA to understand the dynamics of change characteristic of our time can bring about its failure. Self-delusion can have tragic consequences.

Only in America can be found the nation that never became one, and a citizenry that never defined itself. Only in America do the people defeat themselves by searching for inspiration in its past, ignoring the fact that 1787 had more in common with the 1st century than with the 21st, instead of inquiring about what the future demands. Can America reinvent itself within the post-industrial capitalist model, or any other model? Yes! But only if we succeed in fighting our own stupidity.

To turn back the clock is not an option, not even in America.

NATION OR ECONOMY?

The project called America at first appears as the result of a conflict of meaning. Did the Constitution affirm one nation (in the sense in which “nation” was defined at the time) and the American citizen? Or did it affirm a confederation of sovereign states? Henry Adams understood the question, when it was entertained by his contemporaries, as “whether the nature of the United States was single or multiple, whether they were a nation or a league.”¹⁷ That the answer is “neither” might surprise today, as it would have in those years of debate. In effect, the Constitution affirmed not a “nation-state” (i.e., a sovereign political entity) but a “market economy.” The former colonies with their respective citizens, British for the most part, sought ways to form a decentralized union. Their expressed goal was to wrest sovereignty from the monarch in order to have the freedom to pursue their economic interests. Rhetorical pronouncements, inspired by the politics nurtured by the notion of natural rights, are echoed in the Declaration of Independence and later in the Constitution. In negating the British system of central, hierarchical government, America sought a foundation different from that of countries in which monarchy, embodying divine right, held sovereignty. The French Revolution, admired by some (but not all) of the Framers, led to the establishment of the centralized *République Française*, in which democracy and national identity fused. It did not break away from the former structures of governing, however.

The American “Revolution” was actually a civil war: two factions, belonging to the same nation under one government, entered into armed conflict. It is comparable to the English Civil War (1642) between Royalists and Parliamentarians, after which the First Commonwealth emerged. The French Revolution can also be seen as a civil war. In both cases, the nation was preserved; however, the state structure changed (for a while). After centuries

¹⁷ Adams, Henry, and Earl N. Harbert. *History of the United States of America during the Administrations of Thomas Jefferson and James Madison*. New York, NY: Literary Classics of the United States, 1986.

of uniting the various kingdoms of England and France under a centralized structure, there was no question of a confederation of counties or provinces in those countries. The subjects in England remained English, and the new *citoyens* (citizens) of a new France remained French. Government retained the centralized, hierarchical power structure.

The true revolution in America was the style of government: it established a system within a structure that was a compromise between a limited centralized and a decentralized exercise of power. America was the outcome of a breakaway, in which parts of the British state (i.e., of the nation-state) split from the rest. Within each of them, the state structure remained the same. The question was: Do we break away as individual units, or together? It was clear that each unit sought independence, and that the reasons for action were pretty much the same, with variations between the states in the North and in the South. There was no common national identity, a similar situation to revolutions of other nations (such as Venezuela in 1811, Colombia in 1820, Ecuador in 1822, as well as in Europe, such as Hungary, Ireland, Wallachia, Poland) that attempted or obtained independence. Class distinctions and similar sociopolitical concerns that were significant in various European turmoils did not form the motive for the American Revolution. The motivation to break away from England was fundamentally an economic one. Walpole's formula, "Let sleeping dogs lie," meant "undertake salutary neglect"—that is, allow the American colonies to carry on their affairs as they desired, as long as the empire received its portion of the bounty.¹⁸ The colonies were on a leash the length of which was adapted to their own willingness to be tethered. Competition in commerce, not politics, led England to come up with various acts—the Wool Act, the Hat Act, the Iron Act, etc.—in an attempt to discourage manufacturing in the colonies and maintain economic advantage. Loyalty to the Crown was undermined in economic terms, never on national or nation-relevant issues. Benjamin Franklin's 1754 Plan of Union failed because of its political dimension: individual colonies were interested in benefiting from commerce, not in surrendering autonomy. They did not want to pay for a nation-state.

Facing problems that the two major nations of Europe had settled centuries before—national identity, centralization, hierarchy, commerce, taxation—the founders set up a framework that facilitated an economy at the expense of a formative, unifying new nation. In the perspective of the time, this was

18 Sir Robert Walpole, Chief Minister to King George I and King George II (1721-1742) and leader of the Whig Party.

a major innovation that deserves the qualifier “revolutionary.” A minimal central state structure was much cheaper to set up and maintain than Britain’s centralized form of government from which America was pulling away.

The Commercial Republic

The Articles of Confederation reflected the determination of individual colonies, now states, to preserve their sovereignty. They were willing to cede representation in international affairs (diplomacy) and defense, but not fiscal functions (issuing coins and bills, taxation, setting tariffs). Independence won, the states still felt free to deal independently of one another. Each represented its own interests with those foreign governments with which—ignoring England’s attempts to curb such dealings—they had traditionally dealt. Each had its own banking system and currency; each imposed tariffs on goods entering from other states; the importation of slaves remained unchecked. In practical terms, there was one major question to address: With whom would other nations deal—with the Union, with each state, or with commercial enterprises that made their own rules?

Under the Articles of Confederation, the central government had little, if any, power to raise revenue. Consequently, it could not even repay domestic or foreign debt. This state of affairs was not conducive to interstate commerce or to international trade. The men who came to be called the Founding Fathers and the Framers of the Constitution worked under the pressure of establishing an entity that other nations would find credible. Legitimacy could be achieved only by affirming a clear system of sovereignty.

Alexander Hamilton, George Washington’s Secretary of the Treasury, took a path of entrepreneurship that resonates with the sentiments of the present. In the absence of any rules other than those known from England, he took the debt of the colonies and the debt incurred in prosecuting the war and sold it to the rich. It was not for love of country, but rather for their economic interests, that the rich discovered an allegiance to the central government. Their investment was at stake.

Hamilton’s view of the economy focused mainly on manufacturing, banking, and shipping. It differed from that of Jefferson, who was dedicated to encouraging agriculture, an enterprise less subject to a central mechanism. Despite their differences, however, their understanding of America as an economy ultimately was structurally equivalent. The Constitution contained a well-defined commerce clause, the significance of which America continues

to experience.¹⁹ It also provided for the protection of private property, for the respect of contractual obligations, and for rules specific to the economic activity of the signatory states. By no accident, the power to tax was addressed early on, as there was no longer a mother country, and its laws were no longer in effect. Repudiation of the English political system and the social unrest connected to the denunciation of the “rich and well born” (as Hamilton described them) took place at almost the same time. They were accompanied by policies that unleashed economic forces corresponding to the most American of freedoms: the freedom to become rich. In the *Federalist Papers*, Madison wrote about “the diversity in the faculties of men, from which the rights of property originate. [...] The protection of these faculties is the first object of government.” From the onset, the American system ascertained inequality; that is, it reflected diversity of faculties among individuals. The system has remained faithful to inequality, even in its most extreme forms.

The “economic biography,” as Beard called it, of the Framers and the delegates, and of the population that eventually ratified the Constitution influenced their decisions.²⁰ This “biography” reflected the property they owned (including slaves), their family structure (women were not part of the process), and capital invested in “shipping and manufacturing, in securities.” Beard wrote:

*Suppose that substantially all of the merchants, moneylenders, security holders, manufacturers, shippers, capitalists and financiers and their professional associates are to be found on one side in support of the Constitution and that substantially all or the major portion of the opposition came from the non-slaveholding farmers and the debtors—would it not be pretty conclusively demonstrated that our fundamental law was not the product of an abstraction known as “the whole people,” but of a group of economic interests which must have expected beneficial results from its adoption?*²¹

Between the time when European settlers began to arrive and the time when the Constitution was formulated, the major impetus remained economic. For instance, as important as the freedom to practice religion was, it was meaningful only to the extent that means for survival and growth were secure. This impetus also explains why the Framers gave their constituents an economy and a market—or at least a foundation for building one—rather

19 *The Constitution of the United States of America*: Article I, Sec. 8 Clause 3.

20 Beard, Charles A. *An Economic Interpretation of the Constitution of the United States*. New York: Scribner’s Sons, 1913.

21 Beard, op. cit., p. 17.

than a unified country. The expectation of being loyal to the unified market collided with loyalty to their respective states. Shared responsibility to people's well-being was at best of peripheral significance, or taken for granted. Each took care of his own interests. From the beginning, the Framers viewed the USA as mainly a commercial enterprise. Economic opportunity was characteristic of this new entity. It still is.

In practical terms, the early government acted to secure markets for what the USA could offer: raw materials and agricultural products. The direction that this initiative assumed—"one great commercial republic"—would last beyond the furious "start-up" time. Manufactured goods, inventions, and eventually capital, complemented the initial list of commercial goods. It would be the American alternative definition of a nation: a community of competing economic interests, a market.²² The Framers did not want more state than was necessary to represent their economic goals. Freedom outweighed security and social awareness. The USA was far away from its competitors and enemies.

Freedom Unleashed Enterprise

In retrospect, America-the-Economy was an unprecedented, visionary innovation. It did not fit within the model of a nation as defined by the Enlightenment. Abolishing the old power structures corresponding to colonial status (rather than invoking—*avant la lettre*—"the iron law of oligarchy," a principle that posits that former structures are carried over to the new), the Framers affirmed a self-organizing principle, more or less disguised in the "Commerce Clause."²³ This clause granted Congress the power to control commerce ("with foreign Nations, and among the several States, and with the Indian tribes,"), to draw up bankruptcy laws, and to issue money and prosecute counterfeiters. Congress could also establish mail traffic (post offices, postal roads) and grant copyrights and patents, all of which were measures of economic significance, benefiting those who, in freedom, pursued their own interests. The deal was implicit: we do our part in pursuing our commercial-economic goals; you, the State, do your part to prevent anything that might hinder our progress.

22 "America is not a country. It's just a business," is the ending line of the movie *Killing Them Softly*, which addresses social aspects of life in an economy. The movie is based on George V. Higgins's 1979 novel *Cogan's Trade; Killing Them Softly*. Dir. Andrew Dominik. Perf. Brad Pitt and Ray Liotta. Inferno Distribution, 2012.

23 Michels, Robert. *Political Parties: A Sociological Study of the Oligarchical Tendencies of Modern Democracy*. Trans. Eden Paul and Cedar Paul. New York: The Free Press, 1915.

Throughout the history of the USA, this focus on commercial power increased and broadened. The Fourteenth Amendment (1868) conceived to preserve the right to citizenship of former slaves, eventually became the basis of the [in]famous “corporate personhood.” This was done despite the fact that the Constitution does not mention corporations, which are usually chartered by the states. From then on, the economy was endowed with the same constitutional rights that persons had (including, perversely, the freedom of speech, but no voting rights). Economic entities as citizens are yet another expression of America-the-Economy. Consequently, politics—the domain of the polis, the community—morphed into economics. This explains, although it does not justify, why the market economy shaped the country’s history.

For the record: its economic foundation facilitated the USA’s rapid growth and the prosperity of Americans. But it also facilitated the growth of individual alienation, which is a characteristic of those who work for someone else’s profit, who are likely to feel socially and politically powerless. Those in power consistently identified with business, not with the people through whose effort the economy advanced. America’s foundation as an economy, and the American system, in particular, facilitated corruption in politics. Uncritical acceptance of economic priorities and their promotion as political goals have led to aberrant consumption, mediocrity, and dependencies on the government.

Once encoded into law, dependencies become entitlements. With each transfer to the central government or to some benevolent agency of responsibility for oneself and for others (family, community, society), stupidity has increased. The individual no longer has to engage talent and skills in order to achieve well-being. With the best intentions, charities and self-serving not-for-profit do-gooders contribute to the increasing stupidity of every person who is all too happy to depend on them.

Because the USA came into existence as an economy, the history of America is mainly the history of its economy. Constitutional patriotism was simply not an option at the beginning of America, as it is not an option today. The iconic “unencumbered self” of that romanticized period did not even have to pledge allegiance. Europeans who fought in the Revolution (the Hessians for England, the French for the colonies) realized that America offered opportunities. Freedom, the identifier of the USA, was the stepping-stone to success. Pride was connected to succeeding in the economic sense. Investment—made by the rich of the land, and also by the rich of Europe—promised rewards from agriculture, transportation, and mining. After Samuel Slater brought the

secret of water-powered textile manufacture from England to the Northeast (1789), textile mills sprang up along the rivers. Cotton plantations expanded, as did the demand for slave labor. In search of land and opportunity, pioneers migrated into the Northwest Territories and beyond. Coal and iron were mined to feed the steel mills. Railroads united the expanding country. The discovery of gold brought on the famous rush to California. Opportunities are never risk-free; in every success story, there are unintended consequences.

The Industrial Revolution spread rapidly in the young USA. Human labor, especially skilled labor, became critical. Immigration was needed, then as now, to complement demographic growth, to add fuel to the growing economy. Industrial-capitalist dynamics was ascertaining its characteristics. It was during this period that industry and capitalism began to reveal their ugly nature. People worked their lives away. There were no laws to protect the labor force as individuals or as a group. People labored until they no longer could, due to age, illness, or crippling industrial hazards. In the eyes of industrialists, machines—more difficult and costlier to replace than workers—were more valuable than humans. Large and small capitalists disregarded worker safety rules, if any existed.

Prior to Lincoln's election in 1860, America faced few economic problems (pirates on the Barbary Coast, the War of 1812, the financial crises of 1819 and 1837, the debate over slavery) that required political action. America's Industrial Revolution marked a new moment. Over 30 percent of Americans' income already came from manufacturing. In ten years (1845-1855), almost three million immigrants arrived, changing America's demographic structure. The immigrants' cheap labor facilitated the participation of manufacturing in the economy's growth, and made the rich of the time even richer.

Catching Up with the World

About 70 years before Lenin's New Economic Policy, President Lincoln invented the practice: relax economic rules, tighten the political system.²⁴ In a daring move, Lincoln consolidated the federal government at the price of state's rights. To refer again to Lenin: One step back (to central government characteristic of England and the rest of Europe), two steps ahead (over a loose union of sovereign states that the South wanted to preserve, to a stronger centralized government that became the major facilitator of America-the-

²⁴ Lenin's New Economic Policy (NEP, 1921) or "state capitalism" allowed some small enterprises to be run for private profit, while the state maintained control over large industries, banks, and foreign trade. It was in operation until 1928, when Stalin established his first Five-Year Plan.

Economy). No, Lincoln was not a Leninist before Lenin, but a very skillful tactician. There is no need to belabor facts from history that are amply available; the significance of these facts would be played out in the future. Eighty years had passed by the time Abraham Lincoln entered the national political scene. His vision for the country, exemplified through his acts as president and his reasons for pursuing the Civil War, played a major role in the development of a United States of America. "United States of America" was a title in plural form (taking the verb "are") from 1777 until after the end of the Civil War.²⁵ The singular (or collective) usage adopted since did not automatically entail political unity. Neither did it settle once and for all which powers reside with the individual states and what falls within the domain of the federal government. This conflict of meaning shadows the entire history of the USA. To maintain America-the-Economy, Lincoln discovered that a central state, capable of handling the country's unity, became more necessary than it had been at the time of its modest founding.

To understand the nature of the conflicts leading to the Civil War is to be able to answer whether it was a political crisis, or an economic crisis, or both. Economy shaped a way of life that shaped politics: the agrarian South (Jefferson's model) and the industrial North (Hamilton's model). Since the time the Union took form as primarily a commercial republic, more commonalities of purpose were added to the sheer economic foundation. There is no definitive quantitative research into the economic situation during the Civil War. Those familiar with the context of the conflict and the parties involved, however, concluded that it was based foremost on economic concerns, including slavery. In 1787, American exports consisted of raw materials and agricultural products, defined as "necessaries." America controlled its imports, such as sugar, rum, tea, coffee, and textiles, defined as "superfluities." The terms indicate that there was a tension: limit the superfluous. This situation united the parties in favor of ratifying the Constitution. A central government that would address the economic aspects of exchange with the world was desired. Here is one attempt to describe the moment:

Surely there is not any American who regards the interest of his country but must see the immediate necessity of an efficient federal government; without it the Northern states will soon be depopulated and dwindle into poverty, while the Southern ones will become silk worms to toil and labor for Europe.²⁶

25 "The Stile of this Confederacy shall be the United States of America," (Article I, Second Continental Congress, York, PA, 1777).

26 *The Connecticut Courant*. 12 November 1787.

The Industrial Revolution had taken firm root in America by the time of the Civil War. Contrary to the myopic understanding demonstrated by the author of the cited article, the population in the North increased very quickly. Southern plantations prospered from the demand for cotton, tobacco, and sugar—which were cheap to produce with slave labor. The South faced the consequences of England’s earlier abolition of slavery. There was still no national pride worth mentioning, since there was no nation to define. The War of 1812 did not unite the several states that sent their own militias to fight off the invading British. The North and the South differed in their rootedness and understanding of freedom. The former was industrialized; it welcomed immigrants, who fed the labor force. In search of cheap labor, the North substituted immigration for slavery. Nevertheless, upward mobility was possible. The South remained agricultural, relying on the growth of the slave population as a labor source for large plantations. It favored tradition and the status quo, and still adhered to the English way in religion and class structure. Slavery, on which the agricultural South depended, was one of the issues included under the heading of states rights vs. centralism that led to the South’s eventual secession. Lincoln was determined to keep the Union together as an economy. In his words: “If I could save the Union without freeing any slave, I would do it.”²⁷ Of course, he also held a deep conviction: “if slavery is not wrong, nothing is wrong.” He did not shy away from a confrontation that was ultimately settled through a bloody and expensive war. The winner took it all, as it does in the marketplace. Reconstruction, after Lincoln’s assassination, was a glaring example of this slogan: a central government emerged, more powerful than ever before.

One outcome of the Civil War (1861-1865) was the abolition of slavery, a major social and political accomplishment for the USA. Moreover, it was a victory for the economy, assuring the rest of the world that America was indeed more than a collection of competing states: it was one market. It was also the victory of industry over plantations, i.e., agriculture. America was about to enter the Gilded Age (1869-1896), during which it overtook Britain in industrial production. It created its own class of wealthy individuals, but also gave birth to a large class of poor laborers and farmers.

By 1870, within a century of its establishment, the USA was the most powerful economy in the world. It was not, albeit, a powerful state. A broad set of economic practices evolved that defined the capitalist path on which American

27 Lincoln, Abraham, and Roy P. Basler. “Letter to Horace Greeley.” *The Collected Works of Abraham Lincoln*. New Brunswick, NJ: Rutgers UP, 1953. See also: <http://rogerjnorton.com/Lincoln78.html>

industrialists and businessmen pursued their goals. The Progressive Era (1890-1920) succeeded the Gilded Age. Opportunity and risk, free enterprise and regulation were identifiable trends in the Roaring Twenties (1920-1929), and even more so in the Great Depression (1929-1941). America increasingly socialized economic risk and favored the successful.

Lincoln's focus on government investments, in particular on building the railroads (which the "Robber Barons" got on the cheap) allowed for westward expansion to the Pacific. The government became part of business development. It involved itself in the Appalachian coalmines, in oil extraction in Pennsylvania, and in the ore mines of the Lake Superior region in the Upper Midwest. Government intervention in the economy further encouraged corruption, waste, repression, and violence. Profit counted, not political principles.

Jack Beatty details what Mark Twain and Charles Dudley Walter sketched in *The Gilded Age: A Tale of Today* (1873): the fascinating leap ahead (in steel production, railroad mileage, urbanism, etc.) to the detriment of moral and political values.²⁸ Beatty quotes Mark Hanna, who said, "All questions in a democracy are questions of money." Newspapers and books revealed abuses so gross that eventually the federal government had to enact legislation that protected the consumer, but which still supported business and profits at the expense of the taxpayer.²⁹

The Right to Pursue

The "inalienable right to life, liberty, and property" were, in John Locke's view, natural entitlements.³⁰ His phrase had nothing to do with turning the former British colonials into Americans. It had everything to do with their right to enjoy economic success. Individual liberty and equality before the law were conditions and premises for such success.

Not all states were prepared to adopt these principles. The conflict appeared to be based on geography—North vs. South—when it was really one of economic interests expressed in the marketplace. The Constitution, promoted

28 Beatty, Jack. *Age of Betrayal: The Triumph of Money in America*. New York: Vintage Books, 2008.

29 Upton Sinclair's novel *The Jungle* (1906) is probably the best example. He wanted to raise awareness of abysmal labor and social conditions. Once his allegations about meat processing were substantiated, Congress was pressured to pass legislation regarding food safety, but ignored the social aspects. "I aimed at the public's heart, and by accident I hit it in the stomach."

30 Locke, John. *Treatise on Civil Government*, 1690.

“the general Welfare,” for which tranquility, justice, and defense were prerequisites. It also created conditions for the expansion of land holdings and the valuation of real estate, for commerce, investment, and industry. Hamilton’s famous and controversial *Report on Manufacturers* was the outcome of instructions from Congress (in 1790) along his line of thinking: the economy needed markets. The deeper conflict, however, resounding well into the present, was the battle between federal authority (which at that time was weak) and the people’s liberty. America was still decentralized, and more “civic” than at any other time.

Interpretations of the process through which the Constitution was shaped, make up a large and continually expanding library. Many historians have scrutinized the balancing act that was necessary in order to acknowledge the rights of the colonies (eventually identified as states), while bringing a central government into existence. The lack of trust in a central government, now greater than ever, that is characteristic of the political outlook of most Americans today, dates back to the country’s very beginning, and to the experience with the central power of the British monarchy. So does the ambiguity (or demagoguery) of defining the USA as a nation. Neither historians nor politicians have dismissed the need to understand how economic interests, corresponding to geographic factors, informed the major decisions adopted during the Convention. In the famous tenth of the *Federalist Papers*, James Madison convincingly approached the various aspects of the freedom of enterprise and private property, self-interest, and limited government. Beard advanced a solid, but controversial, economic interpretation of the Constitution of the USA.³¹ Very meticulous in describing which economic interests were involved in the struggle over each clause, Beard provided facts about the delegates and their particular economic identities. He argued that it was important to know, in detail, how the delegates perceived their roles, and what they thought of the people to be governed under the new Constitution.

A study of the many efforts to make America a “nation” or “nation-like,” proves informative regarding those who carried through the project America-the-Economy. What counts is not each delegate’s particular view, usually reflecting the type of property each owned, or other business interests. In the tormenting give-and-take of the deliberations, they shaped, in a surprisingly visionary manner, an economy that successfully scaled beyond the thirteen states involved

31 I make reference to Robert A. McGuire’s *Economic Interests and the Adoption of the United States Constitution*.

at the time, and beyond industrial capitalism. The historian Gavin Wright remarked, “American national building was a commercial proposition.”³² Incidentally, it took more than 200 years before a similar goal went into establishing the European Union as an economic entity. (Many Americans consider the EU a doomed project, or hope it to be one.) America-the-Economy knows what competition is. Over time, it crushed many of its competitors.

“Nation building” (as the American formula is known) advanced significantly during Lincoln’s presidency. The Civil War was supposed to have settled the matter of secession (although every now and then, some state threatens to secede, claiming that Washington treats it unfairly). In the context of a decisive moment for the Union, the states surrendered important functions to the central government, which now assumed the role of steering the market economy. The military draft contributed to the same intention of furthering a unifying government over an alliance of states that wanted to maintain the option to secede. Still, the war ended up saving America-the-Economy, at the price of more state interference in the people’s affairs. The Constitutional Convention and Civil War, so far apart in time, again suggest that the defining moments in the history of the USA have been of economic significance.

America’s history is that of its successive crises: from the Revolution, to hyperinflation (1819, related to the costs of the war with England), to the panic of 1873 (the Long Depression), to the depressions of 1893 and 1929, and up to today’s quickly succeeding breakdowns. Crisis defines a condition of instability in the functioning of an integrated whole. By design—with its parallel sovereignty model, the Union was relatively loose, with little political and social focus. This helped to save it. A tighter Union, with higher political and social goals, would have probably collapsed by now.

The Business of America Was Always Business

The colonies were not political entities. Britain needed wealth for its own survival. The politics that the colonists brought with them reflected that of England. The Revolution would give the colonists the right to the fruits of their own efforts and free them from paying for the monarchy’s excesses. The question of what the Constitution ascertained at the time of its writing relates to the written text, but also concerns the outcome of the activity it set in motion. The laws based on interpretations of the Constitution, some more stringent than others, were used to regulate the market, i.e., the system. When

32 Wright, Gavin. “The Role of Nationhood in the Economic Development of the USA.” Ed. A. Terchova and H. Matis. *Nation, State, and the Economy in History*. Cambridge University Press (2003): 393.

we examine what America actually became, the exercise once again confirms the premise that there was an economic focus to the conception of a state that would not have the authority to limit freedom. Thus, it is worth recalling some details of the process through which the USA became the economy it is today. One of the questions to be answered is: What is meant by “The business of America is business?”³³

To infer from the extremely unsettled present—of limiting actions by the state—to the past, especially to the intentions of the men who “designed” America, is, of course, speculative. Columbus’s discovery under the flag of Spain, triggered Europe’s interest in the New World. Spanish, Portuguese, French, Dutch, and English explorers sailed to the far-away New World with the explicit aim of acquiring wealth for their own countries, or for the private companies that financed their ventures. Upon first impression, the land was wild and uninviting. The native populations, threatened by the settlers, were not welcoming. Settlement of the area that eventually became the USA began almost one hundred years later, and it was slow. In 1565, the Spaniards set foot in St. Augustine, in what eventually became Florida. In 1607, the London Company of England succeeded in establishing the Virginia Colony, settling in the area of the future Jamestown, Virginia—the “porch” of the land. This was followed by a more deliberate attempt to establish a broader foothold on the mainland. A variety of motives explain the timeline of colonization, including economic interests of the countries and rulers who ordered the operation, the search for freedom to practice a religion, Oglethorpe’s famous attempt to give inmates of England’s debtor prisons a chance to repay, and the opportunity of private entities to acquire wealth.

In the end, the entire colonization effort became a commercial venture, one that offered new regions to exploit for economic expansion: free land, good harbors, rich fishing grounds, and new agricultural products (sugar cane, tobacco, potatoes, corn). Focusing on England’s endeavors to support colonization, historians document the role of charter companies—investors, in current English. They were usually groups made up of wealthy individuals involved in commerce, or of affluent landowners. Since the return on investment was slow to realize, the majority of the investors eventually turned their charters over to the settlers, themselves Englishmen. The economic success of the settlers was due less to privilege and judicial authority bestowed by the King and more to their ability to administer their own affairs. In facing

33 The actual statement, made by Calvin Coolidge, is: “After all, the chief business of the American people is business.” January 17, 1925.

difficulties with the kingdom, they ascertained that, if they, as Englishmen, had obligations, especially regarding taxation, as Englishmen they also had rights, such as representation.

The colonies—even those in private hands, such as Virginia and Pennsylvania—established their own institutions to manage taxation, to issue currency, and, in the long term, to ensure economic prosperity. Their commerce was regulated under the British Navigation Acts. Through the currency acts of 1751 and 1764, the English Parliament prohibited the issuance of money by the colonial legislatures. Taxes (in particular, the Stamp Act of 1765 and the Townshend Duties of 1767) became major burdens to the colonial merchants. Debt grew quickly, and so did excess inventories. The Tea Act (1772) was actually the first bailout attempt at the expense of “Americans” (the colonials): with it, England attempted to bail out the British East India Company.

Despite the abundance of resources, opportunities were limited. Colonials wanted to secure their property rights, to make sure that their contracts, inside and outside of the colonies, would be protected. In addition, they wanted to be free to open new markets. Challenging the sovereignty of the King of England did not imply any interest in the politics of establishing another kingdom or a nation, but rather showed a desire to take advantage of economic opportunity. This intent resided in the model of economic freedom. If the King had left them alone, the USA would have remained part of the British Empire, as did Canada.

For those who seek truth in history—as daunting as the effort might be—an interesting detail could hint at the defining motivation that led to the Philadelphia Convention of 1787. The historic meeting followed the Annapolis Convention of Commissioners (organized by James Madison in September, 1786). Only five states showed up. The delegates arriving in Philadelphia intended to discuss adjustments to the Articles of Confederation that would facilitate commerce, especially international trade. Their focus was on the market for raw materials and agricultural goods, not the political confederation, and even less on questions pertinent to defining a nation. Interest in economic opportunity—based on respect of life, liberty, and private property—by far exceeded any other impetus, including political activism. Neither nationalism nor an expressed need for nation building were involved. Nobody asked for a nation, much less for a limiting federal authority. Therefore, instead of amending the Articles of Confederation, the delegates from the thirteen states conceived a new pragmatic framework. It defined economic opportunities, as well as the

challenges facing the union of states. With this structure, the delegates affirmed the need for vigorous commerce, within and outside the Confederation.

Indeed, the Constitution of 1787 reads more like the articles of incorporation of a commercial enterprise than a political treatise. Article I, setting up the Legislative Branch, describes a board of directors, qualifications of board members, and the procedure for election to the board. duties of representatives and senators, scheduled meetings, compensation and conditions for dismissal from the board, and powers. Section 8 is the so-called “commerce clause,” which handed over to the board the rights that the stakeholders (i.e., the several states) had once exercised and were henceforth prohibited to them. Article II details the qualifications and duties of the President: that is, the chairman of the board and the chief executive officer.

Today Is Not Just Another Day

Historic record allows us to realize the meaning of characteristic patterns. Since Lincoln, America, when in crisis, has consistently saved its economy rather than saving its people. State authority has frequently collided with individual rights. This was the case with the Reconstruction, with the Long Depression, and with the Great Depression, and has been even more intense during the various post-WWII crises, such as the recession of 1953-1954, the inflation of the 1970s, the Savings and Loan crisis, and the so-called “New Economy.” Demagogues cynically upheld that individual liberty and the opportunities associated with it continued to be primary. In parallel, government interference, mainly in mitigating risks, has increased since the 1980s.

Of course, all this is prolog to the presence of many risks. We need to acknowledge the fact that, as the central government continues to accumulate more power and liberty is increasingly regulated, America is in the process of becoming a “normal” nation-state. It appears as though the federal government is negating America’s original impetus to offer a different kind of governance. One can even wonder if in the age of post-nation-states, the “normalization” of America is a manifestation of this country’s inability to understand the many factors effecting change in today’s world. Instead of decentralization, the political class pursues its own economic goals by accumulating power. Opportunities associated with a new structure of distributed activity and work are being overlooked. Instead of becoming authentically proactive, America is choosing to merely react to change. It might be the case that the USA is actually vitiating the opportunities opened up through its original design. In this light, it is worth examining what is going on in today’s America.

Frequently, the tenor of the discussion is the same today as it was in the founding years: “America needs a strong central government” (this was Hamilton’s and Lincoln’s view, and is the “liberal” view of today) vs. “America does not need a strong central government” (the view of Jefferson, Madison, the confederate states of Lincoln’s time, and today’s conservative, right-leaning politicians). Proponents make reference to economic challenges; opponents insist on national purposes. The rationale is self-serving: the economy must be saved! The notion that “We need more capitalism” collides with the view that “We need more regulation.” No one mentions the need to rethink America-the-Economy in terms of the new dynamics corresponding to the global economy of today and the future. All presidents in modern times, regardless of party affiliation, have marched under the banner of saving something that is no longer adequate. “If the government doesn’t save the economy . . .” they suggest, “America will become unstable and unworkable.”

The united determination of the population in opposing “an absolute tyranny” at the time of the Revolution was replaced by economic expectations that unlimited growth would serve as a unifying force. Conditioned to be less responsible for themselves than were their forebears, today’s Americans are seduced by increased dependency on the government—while (demagogically) opposing such increases. This defines the core of their stupidity. Fired up by promises of more and better, Americans expect much more than what they themselves contribute. They trade the foundational “unalienable rights” for a new claim: to live above their means, even at the expense of the rest of the world. In their perception, that is America’s reason for being.

After more than two centuries of “togetherness” as an economy, the USA is on the way to becoming a dysfunctional normal nation-state with a centralized power structure, justifying its existence through an increasing number of regulations. Ever since the Great Depression, the central government has progressively put itself in charge of our economic and social life. Neither the states nor business itself proved capable of addressing the system-wide breakdown that the Depression represented. World War II called for yet more government: only a powerful organization, according to the argument of the time, could carry out a massive operation in coordination with America’s allies. After rejecting membership in the League of Nations, established following the end of WWI, the USA became a major supporter of the United Nations and its expansion over the years. Not surprisingly, America moved into the age of “the embedded state,” but not with the aim of international solidarity.

Given its wealth and scale of the economy, the USA became the world's market of choice. It is selling out its principles for the illusion of "Walmart prosperity," equally available to Americans and those visitors who prefer America's shopping malls to museums, historic sites, and natural beauty. Every so often—acting like a boxer groggy from being hit over and over again—America dredges up isolationist predicaments from its past (all the way back to Washington's warning against international entanglements). In the 19th century, there were 25 international institutions, which the USA in the main ignored. It did not need them. Today, almost 400 operate, some impinging on international and domestic affairs (the World Trade Organization, the World Health Organization, the United Nations Security Council, UNESCO, and so many more). America-the-Economy rejects their increasing power, while "America-the-Nation-it-wants-to-become" seeks legitimacy through involvement in their operation. Often, it lets them do the dirty jobs the USA no longer has the means to carry out.

It is this ambiguity that explains, at least partially, the current crisis in the USA. Fifty to sixty percent of the Americans sampled (between 910 to 1650) in 2011 are convinced that the economy (including jobs) is the most important issue facing the country. Americans of our time believe that the federal government "has to do something about the economy." Mind you: the government, a body of incompetent and corrupt individuals pursuing their own economic goals, is indeed taking care of the economy, but not of the people who invested in it, who put their livelihoods at stake. This is a dramatic new condition.

At the same time, most of the population believes that "the government is the problem" (Ronald Reagan's formula adopted by the left and the right). Nobody is saying "We the People" are the problem—probably because they don't believe that they are part of "the People," and even less that they are part of the problem. They handed over their freedom to the government for the implicit promise of protection. Come hell or high water, that is, come crisis—be it unemployment, financial ruin, natural disaster, or terrorist threat, the federal government will take care of you. It never crossed their minds that this is why Americans are part of the problem. Higher expectations and lower participation in civic life, indeed make them the problem.

America-the-Economy has devolved to America-the-State-in-Control, functioning by the expired model of centralized, strictly hierarchical, governance, with slow and expensive rules. At home, this affects the success of individuals still animated by the pioneering spirit of their country. Abroad, America is still envied for its

immense resources, but less admired for its innovative spirit. Among the anecdotes circulating in these days is one describing China as a socialist regime with a successful capitalist economy. America, in turn, is described as a capitalist regime with a deteriorating socialist economy. Even the stupid should be able to recognize the irony and truth of this innocuous joke. Yes, the joke is on America.

Self-interest was the shaping force of America's first hours. The present is characterized by surrender to the federal machine, which embodies the economic goals of the political class. The stupidity generated by expanding dependency on the government—which was fashioned on an increasingly larger scale as the prosperity of America grew over time—has led to a crisis that might, in the end, endanger the destiny of the USA.

“WE THE PEOPLE...” BUT WHERE ARE THE CITIZENS?

Birth tourism brings pregnant women from South Korea, Taiwan, China, Nepal, Vietnam, Mexico, Central America, Africa, and many Muslim countries to the United States of America. They and their families plan, in detail, how to give birth in the USA. The well intended, but ill-defined, Fourteenth Amendment (the same used to ascertain corporate personhood) is interpreted to mean that the child born on American soil is an American.³⁴ Twenty-one years after being born here, a so-called “chain immigration” law entitles the child to bring to the USA first-degree relatives: mother, father, siblings, and their spouses, who are then entitled to bring their first-degree relatives, and so on and on. “Birthing hotels”—which constitute an acceptable address for qualifying a baby born here as American—have high profit margins. Of course, this scheme defies the traditional understanding of citizenship, but this seems to bother no one. Just as no one cares that the USA runs an annual lottery—“to help maintain diversity”—so that 55,000 foreigners who want to immigrate here can.

One of the cofounders (and a co-funder) of Facebook could have been among them. Or he might simply have acquired American citizenship after immigration. Regardless. Before the hour of reward arrived—that is, before Facebook went public—Eduard Saverin relinquished his American citizenship, a status so desired by millions, in order to avoid paying taxes on the billions of dollars that the “land of opportunity” had afforded him. For quite a few in the marketplace called America, citizenship has never meant more than a convenient identity. In this man’s case, freedom and allegiance seemed to

34 Affluent Chinese (doctors, lawyers, government officials, and media stars) endow their children with American birth certificates. “We are not snakeheads,” (an expression describing those Chinese involved in smuggling illegal immigrants into the USA). “We help the American economy.” Richburg, Keith. “To many Chinese awaiting the birth of a child, a US passport for a baby born in the USA remains a powerful lure.” *Washington Post*, 18 July 2010. Web. See: <http://www.washingtonpost.com/wp-dyn/content/article/2010/07/17/AR2010071701402.html>

have cancelled each other out. As singular as this example is, it helps place the subject of what is an “American” in a pragmatic context. The huge gap between the intention of the amendment’s authors and the current mercantile interpretation reflects the business nature of the USA.

Who Are “The People”?

The Framers were an elite group of individuals representing conflicting interests. When they came up with the catchy “We the People,” they propelled an idealized image into the future. It is on this basis that the term, describing a supreme and competent arbiter of everything, has been used (and abused) since 1787.

Like any other example of demagoguery, the term has not aged well. Today, its hackneyed repetition makes it ring more hollow than ever. According to a Supreme Court decision, “The words ‘People of the United States’ and ‘citizens’ are synonymous terms and mean the same thing” [sic!].³⁵ In addition, “The Constitutional theory is that we the people are the sovereigns, [and] the state and federal officials only our agents.”³⁶ This might have been the case once upon a time.

Nobody can (or should) second-guess the Framers of the Constitution. To play America’s popular never-ending game of retelling history to best fit ever-changing motivations does not alter the outcome. Understanding the legacy of those individuals is especially relevant when contrasting the America they shaped to the America they invented for convenience, political or otherwise, in their oratory. The project of creating a commercial Union—America-the-Economy—was by and large successful. The project that was intended to make Americans from colonials turned out to be more wish than reality. The Framers’ most striking formulation, “We the People,” is a good starting point for understanding their elaborate deliberations and the outcome. It is one of the most exalted formulations, which Americans of all political inclinations take to heart. The assumed political consent of individuals—former British subjects—living in thirteen different states, to be governed within a representative republic resulting from their union, was masterfully expressed.

However, “the People” invoked in the *Preamble to the Constitution of the United States of America (1787)* implied the ideal of a moral, engaged sovereign citizenry that would make the Constitution work as planned. The *Declaration of Independence (1776)* referred to the people (as in “We the People”) within

35 Dred Scott vs. Sanford, 6 US, 393, 1853

36 Colten vs. Kentucky, 407 US, 104, 1972

the context of “natural” rights, “endowed by their Creator” and “inalienable.” “We hold these truths to be self-evident, that all Men are created equal...”

Self-evidence is a weak argument for the condition of equality, so weak that it did not integrate slaves—“the birth defect of this nation.”³⁷ Neither did it integrate women, the native Indians, and men who did not own property. It might have been more powerful to supplant “self-evidence” by at least affirming equality as a program of action: We want to live in a society where all are equal, an ideal not yet attained in the USA or elsewhere.

The society to which the Framers belonged was not characterized by equality, quite to the contrary. The richest one percent in the colonies owned almost 50 percent of the wealth, and their share continued to increase.³⁸ The rights, spelled out as “Life, Liberty and the Pursuit of Happiness” were proclaimed rhetorically, instead of being affirmed from the perspective of a project of human emancipation. Property-owning men, defined as free, were required to delegate powers to the government, rather than being allowed to exercise them directly. It was not the power of the *demos* (Greek, the common people) to which the Constitution referred, but of those who acquired power (often by buying it).

The suspicion that “We the People” might have been intended to mean the fifty-five Framers—or even only the thirty-eight original signatories—cannot be dismissed. They were a privileged group, arrogantly claiming to represent all the people while actually representing their own economic interests. Although this interpretation of intent cannot be entirely proven, the delegates’ particular integrity (sometimes questionable) does permit legitimate suspicion. For them, their own stature was self-evident, like equality: I represent the People, therefore *I am* the People. It is known from their many writings that the delegates’ trust of “the People” was limited. Distrustful of the mostly uneducated, rough populace, they opted for a representative republic precisely in order to avoid direct participation of the masses. For instance, the Constitution did not allow “the People” to elect senators,³⁹ or the president.⁴⁰ The French Revolution, which not all Founders admired, eventually confirmed their fears of the chaos to which direct democracy could lead. Even if democracy

37 Condoleezza Rice in an interview with reporters and editors of the *Washington Times*, 27 March 2008.

38 Raphael, Ray. *A People’s History of the American Revolution: How Common People Shaped the Fight for Independence*. New York: The New Press, 2001. Print.

39 Article I, Section 3

40 Article II, Section 1, and Amendment XII

were animated by respectable, ambitious social-political goals, such as those encapsulated in the haughty slogan *Liberté, Egalité, Fraternité*, the Framers did not believe that the newly independent colonials were prepared for them. A great number of them were illiterate or minimally schooled, of questionable background, and not all of English (Anglo-Saxon) descent. Pre-revolutionary America revealed a tendency to mob behavior. Equality was not a notion the Framers could comfortably accept. Indeed, they did not even consider each other as equals.

The transition from the Articles of Confederation to the Constitution is a change from a condition represented by “a firm league of friendship” among free, sovereign and independent states to the birth of a Union, in which neither “people” nor “citizens” is mentioned. The “league” was supposed to derive its “just powers from the consent of the governed.” The nature of this consent remained vague. As Patrick Henry observed, “The people gave the [Constitutional] Convention no power to use their name.” But the Convention did. Revolutions don’t ask for permission from anyone.

The republican construct, based on the Framers’ knowledge of history, was adopted on two basic assumptions. First: owners were secure in their property, and had a claim to the output of their efforts. Second: owners were motivated by freedom to pursue successful productive activity, and to be virtuous. They were literally stakeholders. This kind of individual was supposed to meet the challenges resulting from separation from England: independent, self-motivated, dedicated to law and order.

The Stakeholder Model

It is almost impossible to overcome the suspicion that coining the term “We the People” was a demagogical or even cynical bid for power. The delegates to the Constitutional Convention, always ready to justify their own actions (some more honorable than others), invoked an idealized image of the “new” American people. Their fervor in affirming a better human being is understandable: they were trying to separate themselves from a political system (a monarchy, in which one man was deemed ideal) that easily led to the abuse of rights. The colonists were in a state of civil unrest well before the fight against British domination began. Farmers (not only in Massachusetts) blocked Crown-appointed judges from presiding. The “Sons of Liberty” burned tax collectors in effigy and ransacked the homes of British officials. During the war, those who bore the greatest burden deplored the fact that “[t]he Rich wanted the Poor to fight for them, to defend their property, whilst they refused to fight

themselves.”⁴¹ In reality, they were not prepared to exchange one overarching state authority for another. They wanted their freedom.

The electoral rules of the period following the adoption of the Constitution reflected the thinking of the Framers and the prosperous: women had no right to vote; slaves (“all other Persons”) were counted as three-fifths of a person, and were also not entitled to vote; Native Americans were excluded since they were not taxed. Nevertheless, elections evinced an expectation of accountability, even though ballots were plagued by fraud, vote buying, and violence.

To understand what this means, let us imagine that era, a time when elections brought a candidate in direct contact with his constituency. Congressmen assembled on the first Monday in December for short sessions to discuss matters relatively simple in comparison with today’s issues. Once back home, the congressmen returned to their occupations. Direct, face-to-face accountability and exercise of influence (undue or not) was possible due to the reduced scale of life and work in an agrarian society. Ordinary men—the many with no right to vote—had no say in the functioning of the state or the Union. They were not, by any means, stakeholders, but rather indentured individuals. However, they were now offered the possibility—not available to them as British subjects—to acquire property. (Some of the men who served in the Revolution, for instance, became landowners.)

At the time of the adoption of the Constitution, “the People” represented the idealized, not the actual, image of the population. The morality (or lack thereof) of actual people percolated from their field of work—agriculture, retail, trade, hunting, trapping, teaching, preaching, law, manufacture, banking—to determine how they lived. Those without means, or very little, often lived in misery. For the “self-sufficient yeoman,” (a farmer who worked his own land) the underlying reality was relatively stable. Within the limited scale of their existence, “the People” were seen by the Framers as more or less true to their religion, and unwilling to allow any person or power to impose a creed on them. In fact, the “real people” had a more complicated relation to religion, and to morality in general. They were not willing to have their choices in their own matters restricted or censored.

Ideally, privilege (of which landholders had plenty) needed be earned, not inherited. This was the foundation of competitive meritocracy, on which the myth of America rests—and in which corruption and self-interest were also

41 McDonnell, M.A. “Popular Mobilization and Political Culture in Virginia.” *The Journal of American History*, December 1998: p. 965.

manifest. In reality, however, those who inherited—land, social status, or enterprises—had the final say. As an aggregate, the “real people” were inclined to grant limited responsibilities to the republican government. They opposed an unrestrained and ultimately corruptible legislature. As stakeholders, they were not willing to surrender authority over their own affairs.

Geography played a significant role in defining how stakeholders earned a living, as well as the reasons that brought them to America in the first place. The colonies had in common a determination to free themselves from their dependent status in order to take full advantage of unhindered economic opportunity. It did not escape the understanding of the leading countrymen that the most pragmatic way to achieve this goal was through a Union—the beginning of what became an economy of scale. But the new structure was not free of risk. A union, in some limited form, would open avenues for the future and increase opportunities; at the same time, it would limit their options.

It cannot be overemphasized that the process of realizing the implications of the new system did not originate from the people in order to filter upward and eventually reach those already holding power. It was a top-down process, from men in control, who had some influence and authority in virtue of their status (wealth, in the first place, background, education, experience in politics), to “the People.” As has been frequently pointed out, only a minority (males of European descent) was in a position to benefit politically and socially from the American Revolution.

The Bill Of Rights —An Afterthought

It should come as no surprise that the Framers left out the citizen, even though the word is mentioned several times in the Articles. “Citizen” is a difficult aspect of society to define. From Aristotle’s *polis* to the works of Utopians (and Dystopians), to the writings of Montesquieu, Machiavelli, Hegel, and Marx, the same questions regarding what makes a citizen are posed again and again. No answer is given, however, as to what kind of citizenry is required to form the foundation for a successful society. The argument is circular: a successful state is based on enlightened and engaged citizens. Successful citizens contribute to an enlightened state.

If nation-building, not economy-shaping, had been the goal of the Constitution, it would read, “We the Citizens.” In the minds of the delegates, taking the Revolution to the next step was more urgent than developing a

citizenry. This meant facilitating access to new territories and commerce, as well as establishing a viable political entity. Neither the supporters nor the adversaries of the Bill of Rights understood the amendments to be the principles underlying American citizenry. The first ten amendments to the Constitution, which became known as “The Bill of Rights,” conferred unprecedented rights upon the people, setting forth what the Federal Government could not do to them. Under the pseudonym Publius, Alexander Hamilton rhetorically ascertained that the Constitution actually made a bill of rights unnecessary.⁴² The Constitution created the broad framework for America-the-Economy. Hamilton stated “to declare and specify the political privileges of the citizens in the structure and administration of the government is a form of limiting rights.” In his view, the people’s rights were for their states to define.

James Madison spelled out, in his letter to Jefferson, why a bill of rights had to be attached to the Constitution. The obvious reason was to protect individuals from government, both state and federal. Experience with England, mostly its abuse of power, influenced his arguments to the extent that he insisted that the people needed protection against possible abuse. The people’s participation in power, or the people’s sovereignty, was not at all a subject.

In principle, the Declaration of Independence and the Constitution would create a situation in which pursuing one’s own well-being would by extension lead to the well-being of the country. This is the basis of constitutional patriotism inspired by Adam Smith’s concept. In the past, the rule of the wise (as a desired state, never reached in reality) and the rule of the wealthy eliminated the possibility of the rule of the many. A republic, for which the Framers opted, implied that there were things (*res*) common to people (*publica*), and those “things” were economic matters.

The Bill of Rights is an expression of the individualism that was characteristic of the time in which it was written and adopted. It also reflects an ideal image of the newly united America. Freedom of speech, of the press, the right to peaceful assembly, the right to petition the government in order to seek redress of grievances, the provisions regarding religion (Congress cannot impose a religion or affect an individual’s free exercise thereof) are historic assertions. They addressed the idealized individual that the Founding Fathers agreed was a premise for living under the Constitution—and which they assumed that they themselves already were. Most of the rights spelled out are

42 Cooke, J.E. ed. *The Federalist*. Middletown CT: Wesleyan University Press, 1961.

as “universal” as we can think of; but they do not automatically result in the sense of belongingness, not to say rootedness, associated with citizenship.

The Notion of Citizen

Nation (state authority) and citizenship are linked. They are the necessary, but not sufficient, conditions for democracy. Citizens cannot be made, not even through grandiose proclamations. They are the outcome of interdependencies experienced over time within communities of shared values and interests: ethnic, religious, moral, cultural, economic, and judicial. The term “citizen” (from the Latin *civitas*, the people of a community or city) first appears in Europe (ca. 1275-1325) and refers to a city dweller, but its meaning goes back to the city-states such as Sparta and Athens. The making of “the Greeks” was a long process. Citizens of their respective *polis*, the city-state to which individuals belonged and with which they identified, fought each other, or collaborated in fighting mutual enemies. The Roman understanding of citizen was different: the Empire expanded at a pace that rendered integration and loyalty of the many peoples it conquered highly unlikely. Rome granted “citizen of Rome” as a privilege, endowing the citizen with certain rights. It took centuries after the fall of the Roman Empire before the title of “citizen” was granted to all free people born in a nation-state; most, no matter how high their social status, remained “subjects” under a monarchy. The new “Americans” were not supposed to be “subjects.” The term “citizen” was the only alternative notion to which the Founders—familiar with the Greek and Roman classics—could refer.

“Native land” is a first description of the place where one is born or to which one is attached. The various English colonies were often not a native land for the colonists. Some ended up in the remote new world of their own volition; others were sent to serve there. Regardless, they were still attached to the motherland whose laws they found more or less agreeable, or at least rational. The American Revolution advanced an understanding of togetherness and belongingness different from that experienced in Europe. It was embodied in America-the-Economy, the “common market” formed by the states. This understanding opened a new era.

The USA was defining itself in reaction to the limiting prerogatives characteristic of the quasi-feudal economic British Empire. The role of individuals in society was debated in America and in Europe within the Enlightenment narrative. The Founders most attuned to the European understanding argued for a notion of citizenship that overrode inheritance.

The Framers, concerned with engaging the population in shaping a new homeland, insisted in their elaborations on a balance between individualism and shared goals. Then there were Framers who saw their own identities as the models for future Americans. The so-called “Nativist” view corresponded to what John Jay described as a “band of brethren” guided by divine Providence (cf. first *Federalist Paper*). It seems that for more than 100 years (1776-1880), the so-called “Liberal Republican” understanding of American identity took precedence over the “Nativist” viewpoint (Jay’s argument).⁴³ This view was rather wishful thinking, since even at the time the *Paper* was written, the population was considerably more diverse, in religion, ethics, national origin, and language, than what John Jay described.

Jefferson feared immigration: it would make the population “a heterogeneous, incoherent, distracted mass,” and would undermine self-government. Established Americans argued that some races, especially their own Anglo-Saxon, Protestant “race,” were suited for liberty and self-government. They maintained that immigrants, who had lived under government structures vastly different from the one pursued in the new United States, could never adapt to self-government.

Citizenship was an enticing, but difficult to achieve, outcome of integration. After the Civil War, the notion of citizen became more specific. Rights were extended to the freed slaves—more on paper than in reality—now given the civic identity of “person of African descent.” Congress members expressed opinions, however, that these people did not qualify as American citizens. Furthermore, the rights extended to former Black slaves (male), were not extended to other non-whites, like Native Americans. Chinese and Japanese, Southern and Eastern Europeans arrived to seek economic opportunity in the wave of economic growth, which imposed a different understanding of immigration: a large labor force was urgently needed. A preliminary residence—some argued for 21 years before naturalization—was meant to be “school” time, for “melting” the newcomers into a more homogenous America: “You must become like us Anglo-Saxons.” Still, rules for eligibility to public office excluded the foreign born, Catholics, and women. The legacy of discrimination is the result of the initial failure of the men who called themselves “We the People” to understand what a nation is, and what a citizen should be.

43 Smith, Rogers M. *The Meaning of American Citizenship*. New Haven: Yale University, 1985. Web. <<http://www.apsanet.org/imgtest/AmericanCitizenship.pdf>>

Deals and New Deals

In a broad sense, the America of individuals—holding their destiny in their own hands, and making the best of any opportunity—stands in counter-perspective to those national states in which society shapes the life of its citizens. Americans succeeded, or failed, on their own. Success was plentifully rewarded; failure led to dependencies on others, but did not prevent a new attempt. The American Revolution did not entail broad social change. The rich remained rich; the poor continued to face poverty. But the Revolution affirmed freedom as a prerequisite for opportunity. America was declared a place where there was freedom to innovate, to trade, to explore, to rise above one's former lowly condition. Therefore, Americans of all walks of life felt encouraged to seek ways to better their condition. Their abilities were tested not only in traditional activities, but in exploring new territories, seeking out changes, and affirming their independence. Ultimately, that was the meaning of the Declaration of Independence: it was an act that allowed for individual empowerment. The motivation could not be national, only economic.

America-the-Economy, defined by its constitutive documents, effectively abstained from promoting “the general Welfare” for most of its history. “Welfare” was rather a local or state concern. The Constitution does not prevent, but at the same time does not encourage, social programs. Facing a major economic crisis—the Great Depression—that could have irreversibly sealed the fate of the USA, President Franklin Delano Roosevelt tried to transcend capitalist profit rules by affirming action historically known as the New Deal (1932). “I pledge you, I pledge myself, to a new deal for the American people.” Take note: the word he used was “people,” not “citizens.”

Over time, America discovered that opportunity involved risk, too. The minimum of central authority accepted in the republic's formative years corresponded to the scale of the economy. It reflected a dedication to individual performance, and the expectation of unspoiled reward. Lincoln's America altered the balance, allowing more State for the benefit of further economic growth. Still, Americans preferred to take it upon themselves, rather than have the State interfere, to maintain the rhythm of change begun with the country's Industrial Revolution. The economic breakdown of 1929 changed this attitude, and changed Americans, for good.

Roosevelt's presidency maintained that under conditions of crisis, central government can and should interfere in the economy. This was the new mantra, although it ran contrary to the beliefs of the pioneers and those who thought of

themselves as “We the People.” The pledge Roosevelt made translated into five new agencies that indeed created jobs (in 1933, when unemployment reached 25 percent), laws to protect workers, and the Social Security Act (1935). The major characteristic of all these actions was to provide “the security of the home, the security of the livelihood, and the security of social insurance.”⁴⁴

The New Deal was straightforward: individual liberty was exchanged for protection against failure (not necessarily one’s own). The Americans of America-the-Economy in 1787 were not the same as the Americans of the industrial-capitalist economy subject to cyclical crises even before the Great Depression. After Lincoln, federal authority grew more involved in directing economic activity. Americans reluctantly acquiesced to government presence in their lives—except for the capitalists, whom the government indeed protected, to the detriment of the people. Eventually, the people accepted a life of increasing dependencies. Roosevelt faced a different situation: the economy was breaking down. Since “Necessitous men are not free men” (a quote from Lord Henley, 1762, that came in handy⁴⁵), FDR could argue in the language they understood: “Individual freedom cannot exist without economic security and independence.”

In his speech of 1932, Roosevelt advanced the idea of a “Second Bill of Rights,” proposing “the development of an economic declaration of rights.” He went even further, advocating “an economic constitutional order.” Presiding over a “Great Depression,” Roosevelt understood that the character of America-the-Economy that had been shaped in the Constitution corresponded to a predominantly agricultural condition. For all practical purposes, Hamilton’s America had no paupers: “[S]tarvations and dislocation were practically impossible.” Roosevelt’s America—the industrial-capitalist society—had no “equality of opportunity.” Industrial capitalism, which developed after the Constitution of 1787, is as productive as it is cruel.

In the Second Bill of Rights, a long list of rights is spelled out: to work, to earn enough, to make a decent living as a farmer, to trade “in an atmosphere of freedom from unfair competition,” to housing, to medical care and even to good health, to protection as one ages, and to a good education. These are all are part of an encompassing security, leading to “new goals of human happiness and well-being.” Implicit is the message: society owes you these rights. Take note here: a citizen-based understanding of this message would have prompted

44 Roosevelt, Franklin D., and Samuel Irving Rosenman. *The Public Papers and Addresses of Franklin D. Roosevelt*: 1:288. New York: Harper, 1950. Print.

45 *Vernon v. Bethell*, 28 ER 838

the spelling out corresponding responsibilities. A social contract would have prompted the individual to be an active part of the system. But that is exactly what Americans did not care for. Today, the social safety net has become the social safety nest.

Roosevelt did not challenge the model of America as an economy. Rather, he was aware that industrial capitalism generates new economic realities. In his view, neither equality nor liberty of the individual, taken for granted in a “natural” economy, is possible without government intervention. People relinquished sovereignty, with all its risks and responsibilities, to the federal government. The “Nation” invoked in the last lines of his address is an abstraction; Roosevelt saw no need to define the citizen in the proposed Second Bill of Rights.

Citizenry and Opportunism

As abrupt as the leap from the New Deal to today might seem, the rights spelled out then could be reiterated today. They will (or will not) become a reality only if the people in favor of them can make a convincing case for the rights enunciated 80 years ago. Those rights should not be interpreted as a gift from government, but as an outcome of the effort and willingness of Americans to pay for them, in whichever form they find appropriate. In today’s America, whether it is the need for medical care, or care for the elderly, or the right to quality education, the issue that Roosevelt raised has not changed substantially. What has changed is the human condition of Americans. They have accepted the extreme inequities that capitalism entails in exchange for the promise of opportunity.

The less Americans have felt challenged, once the government expanded its protective measures, the less they have kept pace with change. Each new function transferred to government authority has led to decreasing involvement of Americans in responsibility for their own well-being. Having others, paid for or self-appointed, to mitigate their risk, many Americans, resigned to economic inequality, have lost the competence they need in order to pursue opportunity.

The process is by no means simple: Knowledge transferred to machines does not automatically make those machines as adaptive as human beings. And although machines may get smarter, human beings who are no longer using their abilities—in particular, their judgment—grow stupid. Functions transferred to government (or assumed by it) can extend beyond the initial situation or crisis that prompted them in the first place. Government control

over these functions becomes as permanent as the loss of competence and critical skills that Americans are now experiencing.

The American people of 1787 and the American people of today's post-industrial capitalism in the USA have almost nothing in common. At the time the USA was founded, no political parties interfered in the government process. Today, America-the-Economy is the America of the economic parties operating on the global stage in disregard of their own people—people who are conditioned to be disengaged, and who gladly oblige. This is, in itself, another form of stupidity. It says: “Give me what I want. I don't care how you do it, even if it costs me my own freedom or my own future.”

Today, government is far more the guardian of the economy than the representative of the people, even when it comes to ensuring the people's protection from less-than-ethical business practices and from intrusive bureaucracies.

The path from a human condition of consequential actions—the beginnings, in small communities, where individuals depended on each other—to the one best described as “autarchic”—each for himself, and in never-ending competition with others—leads to a contradictory human profile. In Joplin, Missouri or Birmingham, Alabama—cities hit by natural calamities—solidarity and resilience are impressive. This stands in stark contrast to the lack of attention to the misery and degradation in Detroit, Newark, New Orleans, or Oakland. The split is painful: those willing to overcome, at great personal effort and sacrifice, and those gaming the system for handouts that become rights. The State is accepted only as a source of benefits; it does not elicit loyalty, but rather hostility, because expectations increase faster than their fulfillment. The entitlement mentality, antithetical to the pioneer way of life, is rapidly expanding to the detriment of any sense of individual, social, or civic responsibility. There is no reason to idealize the individuals associated with the early beginnings of the United States of America. So much was unfair, so many suffered abuse. The Founders' ideal rapidly deteriorated within a population not accustomed to self-government and looking to take the most advantage for themselves and not for the nation as a whole. Similarly, there is no reason to demonize the people making up today's very contradictory America—much better in terms of social responsibility than in 1787 despite abuses. But the general direction is not encouraging. Nobody is stupid by choice, but as a result of surrendering responsibility, consciously or not, to the siren's song of the appearance of freedom, of entitlements.

Prosperity, together with the variety of accomplishments that made the USA the superpower it is, has not transmuted into characteristics of moral rectitude, creativity, commitment, sense of duty, rootedness, or patriotism. Too often, the result of America's march to glory, or to the illusion thereof, has been individuals obsessed with their own well-being and their own security, in disregard of others. Most Americans would rather throw out one hundred dollars a month on a chance of winning one million (or many millions) for oneself than to pay five dollars each month for something that would benefit all Americans. Gambling overrides thinking and acting as citizens. In terms of behavior, freed from the pressures of survival, Americans dedicate more and more time and energy to satisfying their overwhelming desire to be entertained and to consume. You can enjoy your life if you pawn it. Credit is never refused. Someone else will eventually redeem your debt.

Is It Stupid to Be a Citizen?

Americans are subject to all kinds of surveys. One of them, conducted over a period of ten years (2001-2011) by a team at Stanford University, involved interviewing American youngsters, from the widest demographic range possible: age, color, race, sex, religion, native born, immigrant, economic status, cultural background, etc. The team asked them: "What does American citizenship mean to you?" *The National Assessment of Student Progress* (the so-called "national report card") shocked many Americans and prompted calls for action. It revealed that among high school seniors, only 25 percent (one in four) are educated in the basics of American civics and civic society. Here is a sample of answers: "I don't want to be a citizen [...] it's stupid to me." "Being American is not really special. I don't find being an American citizen is very important." "I don't want to belong to any country. It just feels like you are obligated to this country. I don't like the whole thing of citizen."

Question: To succeed in America in the age of change and promised opportunity, does one really need to have a civic education? Whether we like it or not, these youngsters expressed the spirit of the time. Moreover, they are perfectly aligned with those who, in the same spirit, "revolutionized" Wall Street, making it into a money machine for the asking—and a risk to everyone, Americans or not, whether they asked for it or not. Their answers are also indicative of a realization characteristic of the integrated world we live in. America-the-Economy holds no allegiance to America or to Americans. Like Eduardo Saverin,⁴⁶ quite a number of other well-to-do Americans (1,780

46 Kim, Susanna. "Facebook IPO: Eduardo Saverin Defends Citizenship Move." ABC News: N.p., 17 May 2012. Web. <<http://abcnews.go.com/blogs/business/2012/05/facebook-ipo-eduardo-saverin-defends-citizenship-move/>>

in 2011) have given up their citizenship. Citizenship meant less to them than the taxes they would have had to pay on profits they could make only in the USA. Such factors as affection for the land and its people and a sense of shared responsibility do not figure in the calculation of how profitable it is to be an American. Capital flows where it can move freely and most quickly. Profit transcends national borders; patriotism is too expensive, and the return on it is low.

The generation growing up in the virtual world understands that allegiances typical of the past are becoming meaningless. It is *not* important to be American—and sometimes it can be detrimental—in order to enjoy everything that the borderless world makes affordable. The statements by the high school students surveyed reflect that while America used to be the first place to start a business, it is now in tenth place in the world in terms of opportunities, and continues to slide. The time of “My country right or wrong!” is over in the world of extreme competition and obsolete national borders.

Progressively more government in a country that proclaimed liberty against authority entailed more dependence on the central State. The America of 1787 was closer to this understanding than the enormously powerful USA of today. Human degradation through government conditioning is similar to that of animals in a zoo. In this sense, Americans are experiencing the consequences of a destiny hijacked by those in power. Instead of realizing the need for decentralized, non-hierarchical, distributed human experiences, the USA is stubbornly “saving” Americans from partaking in a change that, to a great extent, is due to their own creativity. Unfaithful to its own experience of pluralism and self-motivation, the America of post-industrial capitalism is stuck with a duopoly obsessed with its own economic success, and not at all dedicated to the people it claims to represent.

Commercial democracy socializes individualism through the market. The State became the only purveyor of rights. The way out of this situation, in which the government undermines America’s political viability, is probably the remaking of Americans, by themselves, in a revolution that should return sovereignty—with the incumbent responsibility—to them. For this to come, they must pull themselves out of the slough of stupidity into which they were lured by the promises of profit of post-industrial capitalism. When they understand that their survival is at stake, even the stupid can rise to the occasion.

ONLY IN AMERICA

II

POLITICS IN RED AND BLUE

As part of the British global empire, the thirteen American colonies could have chosen the protection of the only superpower of the mid-18th century. Britain's military offered better defense than what each colony, and even their united efforts, could provide. But it was also Britain's military that carried out the empire's expansionist policies. It stopped the colonies from expanding to the west. The Seven Years War (1756-1763) gave to Britain French Canada and the French-owned territory from the Appalachian Mountains to the Mississippi River. England's Proclamation of 1763 prevented the colonists from settling there. It nullified claims to the land by individuals, land companies, and even the colonies. Britain dispatched 7,500 troops in order to make the proclamation stick. To add insult to injury, the colonials had to pay for the troops through various taxes.⁴⁷

This episode is illustrative of how entangled politics and economy were in the lives of the colonists. The economics of expansion into new territories and the politics of taxation did not go away with the American Revolution: Britain still had the better (and larger) army. Nonetheless, after a military defeat in the North (Saratoga), and one in the "South" (Yorktown), it had to give up. The Treaty of Paris (1783) forced the British to turn over to the Union the Northwest Territory that it had taken over from the French at the end of the Seven Years War.

In strict political terms, the American Revolution meant the change from English rule to the Union's own rules. The Constitution affirmed the separation of powers and the system of checks and balances already known in Europe. It did not impact social change. Slavery continued; discrimination (class, professional, ethnic, religious, sexual) was the tacit rule of the land. The American upheaval being an economic revolution, commercial considerations took precedence over emancipatory political goals. "Dependence of politics on economic matters" is written in big letters on the birth certificate of the USA.

47 Baack, Ben. *The Economics of the American Revolutionary War*, 2010. Available online at <http://eh.net/encyclopedia/article/baack.war.revolutionary.us>

The French Revolution (1789), the Russian Revolution (1917), and later the Chinese Revolution (1949) changed the pre-existent social orders. Power was to be transferred from the ruling class to those who carried out the revolt: the disenfranchised majority. In contrast, the American Revolution—of conservative impetus—kept the preceding power structure in place. A monarchy-based hierarchy gave way to a republic with a very similar hierarchy. Democracy was specifically rejected as an option. The free got more freedom. Everyone else was served with the hope that this most-American political goal would eventually reach them as well.

Based on the operating system embodied in the Constitution, political aspects transcending the relation among states and the Union were approached. The abolition of slavery, the expansion of the right to property—and thus to participate in elections—emancipation, and freedom of speech would eventually enter the record of the new republic. But regardless of their particular nature, the ultimate motivation was economic. This is also true of the American Dream: the right to an equal playing field. America was to be the country where individuals could benefit from their efforts without being beholden to anyone. Certainly, it is also true that to establish the equal playing field is a political goal corresponding to the expectation of equality—even though universal suffrage was extended only in 1965.

Politicians of the Republic's first hour embodied the American spirit. Alexander Hamilton, the first Secretary of the Treasury, a supporter of a strong central government, was the realist when it came to viewing America as a common market. Thomas Jefferson, the first Secretary of State, was the advocate of suffrage for the "yeoman farmer" (the "freeholder," the independent farmer), and for the right of states to nullify a federal statute within its borders. One spoke for industry-friendly New England; the other for the Southern plantations. Their differences led to animosities easily comparable to those prevalent in today's polarized America. But they transcended these animosities in their militant rejection of political parties, which they both deemed would advance corruption and divisiveness.

It was unavoidable that the conflicting Federalists and Anti-Federalists (sometimes identified as Republicans, before the Democratic-Republican Party was established) morphed into parties. It was also unavoidable that party and personality be bound together, more than in any other country. Finally, it was unavoidable that America-the-Economy would become the birthplace of parties that were in the business of politics. These parties shaped themselves as entities that were identified primarily with economic issues, rather than

with ideology and its translation into political programs. Power itself, in the hands of the well-to-do owners of the United States government, became a commodity. Like any other merchandise, it was, and is, traded in the ever-expanding market economy.

Survival of the (Politically) Fittest

There are some repetitive patterns in the transition from colonial status to independent union. Americans—individuals, companies, colonies—wanted to expand. This was an economic goal. They engaged political will to wrest power from Britain; the colonial power tried to stop them. The pattern is simple: desire to expand, encountering resistance, overcoming the constraints (through combat or any other means), further expansion. This pattern defines the entire political history of America.

Another pattern: from its beginning, freedom, the great American pronouncement, was meant for those who were already free. They were the only ones who voted and the only ones to be voted for. The freedom of the free to further pursue economic expansion, and to become more profitable, increased as they became more powerful. Over time, larger-scale expansion necessitated more work power, more labor force. But expansion did not result in more freedom for those providing the labor.

Commercial democracy—in which freedom means *freedom to consume*—evolved as a substitute for political democracy. People can vote for whichever product they want. They acquire it either with money already earned, or with money advanced as expensive credit against future earnings. Capitalism depends on the furtherance of cycles of capitalist development. As capitalism became America's economic identity, political freedom metamorphosed into the illusion of unlimited choice in consumption. Partaking in the political process was traded for the opportunity to acquire more at the lowest price. This became the new American Dream. Instead of a stake in the political process, Americans got a stake in the output of the economy—“prosperity,” as it is called. Freedom, intended to mean the basis on which individuals exercise their democratic right to elect and be elected, became instead an expression of hedging: who might best satisfy the needs and desires of voters. To address any social conflicts that might arise from lack of universal freedom, Americans were offered the harmony of a stable social order, reinforced from time to time by more welfare programs: “socialization of risks, social insurance, and welfare programs resolve some of the personal problems inherent in a market economy.”⁴⁸

48 Fusfeld, D.R. “The Rise of the Corporate State in America.” *Journal of Economic Issues* 6 (March 1972) p. 1-22.

Freedom found its correlate in competition—the most pervasive characteristic of American politics. Americans, especially those still religiously inclined, have problems with the evolutionary model of natural processes. But they have no qualms in generalizing evolution to politics and the economy. The best adapted survive. The initial romantic context of freedom as prerequisite for success and the underlying social Darwinism of American politics are not the mere generalization of a purported natural law. Social Darwinism affirms the competitive nature of human activity to the detriment of the need for cooperation. Competition is extended to everything pertinent to existence: from economic activity to political life, from society to culture. No other nation embodies the competitive drive more than the USA.

Politics means competition, in the same way as any other economic endeavor. It involves investment and the associated return. It involves marketing, technological prowess, and innovation. American politics might have started in the arena of ideas and in the formulation of political goals—foremost those associated with declaring the colonies’ independence and individual rights. But given the economic motivation of political action, it did not take long before liberty became almost anarchistic: “Everything is allowed.” Selling fake political programs is no different from selling fake bonds and snake oil: it’s your fault if you fall for it! Don’t count on society to prevent the swindle. This was no longer the moral code of Cotton Mather,⁴⁹ who decried a time and pace in which “all arts and trades are carried in that deceitful manner, and unrighteous course” that make it “almost impossible for a good upright man” to tolerate.

Americans shaped this system—so similar to what they experienced in Britain—as a necessary evil. The logic went: If the best succeed in the economic jungle, the best will succeed in the political jungle. As disappointing as this logic is—and almost nobody would characterize it differently—it is by far better than authoritarian rule or any other form of oligarchy. Benjamin Franklin was convinced that “We can keep a Republic, or we will eventually end up with an oligarchy, a tyranny of the elite.” Little did he know that his words would become the credo of the American political class. The term political party is synonymous with “group of professional politicians” (and their “fellow travelers”). These individuals live and prosper from practicing the business of politics according to the rules of capitalism: “maximize profit” is their axiom.

Currently, the majority of Congress members are professional politicians who accessed power through the parties. Many of them entered politics right after they finished their education or graduated from university. Rarely does a member of Congress return to non-government-related activity. Once voted

49 Mather, Cotton. *Magnalia Christi Americana*, Vol. I, 1702: p. 64-65.

in by one party or another, politicians install themselves forever in a position of power that promises high economic rewards: employment and retirement benefits, money and favors from lobbies and interest groups, lectures, consulting, books. Even the most inept end up rich(er) by telling the story of how they peddled their brand of political snake oil. The field is so lucrative that they groom their children to follow suit. Not unlike nobles associated with the king, they cultivate an understanding of rights and entitlements as hereditary.

It has always been thus. Of the fifty-five delegates to the Constitutional Convention, thirty-nine were former congressmen, and eight were current or former governors. Benjamin Harrison (a signatory of the Constitution) was already the fifth in a long line of politicians, going back to England. His son, William Henry, and his great-grandson, Benjamin, became America's ninth and twenty-third presidents, respectively. John Adams—the first vice president and second president, is another example: his son, John Quincy, became the sixth president, and his family continued as “America's First Dynasty.”⁵⁰ And so it continued with the Roosevelts, the Tafts, the Udalls, the Longs, the Kennedys, the Gores, the Bushes, and with newcomers: the Bayhs, the Clintons, and now the Pauls. These repeated incidences of privilege and succession occur within a tradition of demagogical posturing against inherited rights. They are enjoyed in defiance of democratic principles of representation. Party affiliation (even if occasionally switched) is almost like the genetic line of royalty. Jefferson, that “most democratic of the Founders,” once wrote to John Adams:

*The natural aristocracy I consider as the most precious gift of nature for the instruction, the trusts, and government of society. [...] May we not even say that the form of government is best which provides most effectually for a pure selection of these natural aristoi into the offices of government?*⁵¹

It is very unlikely that the members of dynasties mentioned appropriated Jefferson's notion; but voters, through the centuries, seem to share a willingness to perpetuate it. Failure to acquire and exercise political identity might explain this willingness.

Party, Party Über Alles

The Framers of the Constitution adopted a political system of representation without political parties. Office holders were accountable (in the meaning of the word at the end of the 18th century) to voters in their states. They worked:

50 “...the only family in our history to play a leading role in American affairs for nearly two centuries”; cf. R. Brookhiser, *America's First Dynasty: The Adamases, 1735-1918*.

51 Cappon, L.J. ed. *The Adams-Jefferson Letters: The Complete Correspondence Between Thomas Jefferson and Abigail and John Adams*. University of North Carolina Press, 1988.

that is, they owned farms or businesses in which others did the actual work. Occasionally, they met for deliberations, first in New York, later in Philadelphia and Washington. Jefferson, who gathered the Anti-Federalists around himself, opposed parties. Hamilton, his opponent, and the Federalists (who advocated a powerful federal government with a national bank) opposed parties as well: “Real liberty is never found...in the extremes of democracy.” Benjamin Franklin saw the dangers of abuse in the party system and how party allegiance could affect character. George Washington warned against the “baneful effects of the Spirit of Party.” And John Adams did not mince words in foreseeing “a division of the republic into two great parties.” In his words: this “is to be dreaded as the greatest evil under our Constitution.” Reciprocally, none of them would conceive of anything restricting the exercise of checks on power—the cornerstone of the system they designed. Freedom to express opposition, their own included, was not subject to debate.

The contradiction between the expected independence of a representative—sworn to serve the common good, not some privileged interest—and the need to constitute a community of support—a faction—did not go unnoticed. The Anti-Federalists came from a variety of perspectives and interests, their own and those of their constituency. In the party they eventually formed after the presidential election of 1800—the Democratic-Republican party, active up to 1824—these various perspectives melted away. The same happened with the Federalists who were dissolved by 1820.

In their attempt at shaping America, the Framers imagined the aseptic atmosphere of a perfect organization. That was their design. In molding Americans through the Bill of Rights, they assumed virtuous, yet imperfect, human beings. Puritanism dwelled on man’s sinful nature. Therefore, the Framers did not opt for direct election of representatives, but established the Electoral College. In what became known as the sequence of six party systems,⁵² the parties evolved from political entities to economic representation and, finally, into their own business.

Indeed, parties operate as businesses. They rely on the experience of merchants to attract new members and money. The outcome of the business of American politics is the corporate state, with its insidiously growing bureaucracy. Americans, those (few) who still care, deplore the condition described as the “United Corporate States of America”. They refer specifically to how corporate interests have become the agenda of politics for the price of

52 Hershey, Marjorie P. *Party Politics in America*. New York: Longman 2008.

getting the government to pursue their goals. In reality, the USA never was “of the people” or “for the people” as Lincoln so eloquently put it. From its beginning, it was designed to encourage individual profit-making, not the common well-being (the “general Welfare” declared in the Constitution).

The shift from the concept of an “ideal common, shared good” to one based on the commercial success of the party, benefiting political entrepreneurs, is typically American. The party as a political entity is supposed to coalesce around ideas and to foster activism for its support. This is an *ideal* condition. The party as an instrument for achieving the economic goals of politicians is consonant with the *real* condition. Parties became growing enterprises with a chief executive officer and a chief financial officer. Today they employ thousands of people (lawyers, technical staff, writers, strategists and tacticians, marketing personnel). An increasing number of consultants (various types of “political engineers”) work for them on tactical and strategic matters. Since the end of the Civil War, the parties have given up the people as their constituents. Parties establish their own agenda based on their own economic motivations, sometimes affirmed as political or social goals. Like any other segment of the economy, they compete in the marketplace for money in order to expand their power. In political terms, opposition effectively eliminates the notion of shared responsibility. In an adversarial system of parties, which are in the business of succeeding to the detriment of their competitors, egotism replaces shared responsibility.

In the hands of privileged groups, whose economic interests and methods for pursuing them too often go unchallenged, parties have transformed politics into business. Americans rarely question why this is the case.

Observers of what the system presents as a democratic process—the primaries, for example—often take note of how candidates are chosen. It is obvious that if indeed all Americans can vote, not all of them can effectively become candidates. Democracy implies political equality. As long as only persons with money—their own or that of their supporters (to whom they will owe a debt of gratitude)—can run for election, the equation of democracy is not one of equal opportunity, but rather of unequal opportunism. It has been said and written⁵³ many times that in the final analysis, parties are less different than they want their members to believe. The demagoguery of highlighting differences (“They are for the rich. We are for the poor and middle class. They

53 Hinich, M.J. and M.C. Munger. *Ideology and the Theory of Political Choice*. Ann Arbor: University of Michigan Press, 1994.

are for free markets and globalization. We are for competition and fairness.”) would be comical if it were not so depressing. Posturing is supposed to create the appearance that voters have a choice. But regardless of the brand, and of the discount—“Read my lips. No new taxes,” or “Healthcare for everyone”—parties are in the service of the corporate state and of corporations. Therefore, slogans about loving peace and caring for the less fortunate, thrown out to entice voters, will always hide the profitable economics of arms exports and wars and of convenient subsidies. Slogans regarding the (mythical) right to privacy are a cover-up for security policies that violate constitutional proclamations (e.g., search and seizure). The latest call for transparency does not prevent the government from erecting smokescreens between state authority and the public. The same politicians who voted against raising the national debt limit when the other party was in power in effect merely blackmailed them with the cheap phraseology of transcending party interests. They know that short-term memory characterizes stupidity, including their own.

The Price of Patronage

Since Andrew Jackson’s presidency, patronage has become a fixture of political mercantilism: “To the victor go the spoils.” Thirty percent of ambassadorial appointments—officials who are supposed to represent the USA rather than some individual or group or party—are political (read: “bought with heavy money”). “Embassies for sale” became the title of a publication dedicated to this form of political commerce. In John F. Kennedy’s administration, there were 400 political appointees; in our days, the number increased twenty times. In the spoils system, government jobs are the reward for those supporters who contributed the most to the success of parties and candidates. Logic would say: Let parties pay for their appointments. The reality: Americans actually pay, as though it were their duty to please the winners.

Seen from the outside, modern America is in a continuous state of a soft *coup d’etat*. No day passes without investigations. Most of the time, these are triggered by party (i.e., economic) interests rather than by the real inadequacies related to representing the people. “We the People” has become “We the Party,” or, to state it even more precisely, “We the Party Lawyers.” Each side is convinced, or is trying to convince everyone, that they best represent Americans.

Polarized and successful, the USA was sucked into the destructive path of adversarial means and methods. Within this framework, to talk about patriotism is at best disingenuous. Probably everyone who parades patriotism by displaying a flag on the front lawn, or by wearing a flag pin, or declares

allegiance with hand over heart, lip-syncing the national anthem, might respect the ideal of patriotism. But in the marketplace of politics, allegiance to the business called “The Party” takes precedence.

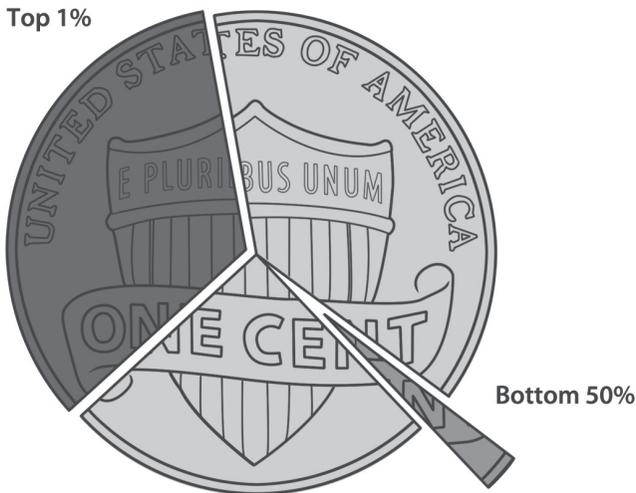
The Right to Feel Guilty

Despite the fact that its birth certificate shows no evidence of it, America claims to be a democracy. Within a democracy, education, medical care, social services, city planning, infrastructure, ecology, foreign policy, and the role of the military are matters of shared concern. Given their political significance, people are entitled to have a say. In the American system, however, such issues are framed within a perspective fully subordinated to economic, not political, considerations.

It is to the detriment of all Americans that in today’s USA, as in the time of the Declaration of Independence, economic priorities drive politics. Each new crisis—financial, farming, housing, inflation, unemployment—confirms the statement. Politicians often talk about the prosperity of America—the goal, they claim, of their activity. Thereby, they inadvertently disclose their dependence on the success of business, rather than on political principles. Politicians are the salespeople for corporations seeking advantageous legislation. Subject to the pressure of the lobbies, paid by business interests to push its priorities into new laws, they cave in (if the price is right).

For the sake of illustrating the specific economic nature of USA politics, let us refer to recent events. In 2008, Americans experienced how large-scale bailouts prompted “socialism for the rich,” the most “in-your-face” manifestation of politics as business. Americans witnessed the eight-day saga (Friday, September 12 to Friday, September 19, 2008) in which the parties in power had only one obsession: to keep financial capital flowing. The names of the actors—the politicians, almost all trained and employed by Wall Street—will eventually fade away. What politicians called “saving the economy” actually saved their power and their party. The wizards spent mind-boggling amounts of money. There was no concern at all for taxpayers and other victims of financial fraud and trickery. As usual, the average American was forced to pay for the inadequate politics that led to the breakdown. The transfer of the people’s sovereignty to those who were supposed to act in their interest had turned out to be a bad deal. Ordinary Americans lost as much as half their savings in the crisis; some lost their entire investments. Others lost jobs and homes. The economic progress made by Blacks, Hispanics, and Asians in the

last 30 years was erased.⁵⁴ There was no demand that the politicians' friends in business make an effort to live up to the fiduciary trust incumbent upon them. The rich and powerful came out even richer—some by 40 percent, the richest 0.1 percent by 400 percent.⁵⁵ Members of Congress have substantially increased their wealth.



Distribution of Wealth in America

Politics as business claims to steer the movement of capital, trying to avoid a destructive slowdown (“The engine isn’t getting enough fuel”), or a dizzying acceleration (“The engine will melt down”). The financial crisis of 2008 is not a lone incident, although it differs from preceding cyclical hiccups in the system. Politics and business have led to economic swindles and failures throughout the history of the USA. The American political establishment placed business interests above civil rights whenever laborers fought for better working conditions; they did likewise when farmers cried out against price manipulation. In the meanwhile, labor itself became part of the economy of politics, throwing its weight behind the party that best served its interests. Furthermore, farmers, by now less than 3 percent of the US population, count on the large subsidies that politicians continue to send their way. Cheap food (and exports of subsidized farm products) keeps everyone quiet.

54 Kochhar, Rakesh, Richard Fry, and Paul Taylor. “Wealth Gaps Rise to Record Highs Between Whites, Blacks, Hispanics.” *Pew Social & Demographic Trends RSS*. N.p., 26 July 2011.

55 The figures cover 1979 to 2005, even before the financial meltdown; cf. Paul Krugman, “We are the 99.9%,” *The New York Times*: 24 November 2011.

Success Is All That Counts

Parties or not, it is impossible not to admire America as an accomplishment of visionary political ideas and extremely hard work. But it is also impossible not to notice how many times the entire endeavor could have failed. In its still short history, America never experienced a less than smooth succession of power. There were moments of tension: Thomas Jefferson succeeded John Adams in an atmosphere of mistrust. After Lincoln's assassination, many doubted that the country would quickly recover. Franklin D. Roosevelt faced enormous opposition (including from the Supreme Court) as he tried to put the nation back to work. John F. Kennedy was followed by a president who was suspected of being part of an assassination plot. Johnson's War on Poverty smacked of socialism. The legitimacy of George W. Bush's election to the presidency remains questionable, but after the Supreme Court decision in his favor, no one tried to overturn it.

Change of majority rule in Congress, or different majorities in the House and Senate, are marked by rancor and pettiness, but never by a *coup d'état*. Congress is an antiquated system (of British extraction) with many moving parts. It was conceived in the hope that while each individual is fallible, the entirety is, if not fully protected from failure, robust. The emergence of parties and their transformation into businesses affected the initial premises. To a great degree, parties hijacked the republican system, making it work for them more than for the people they claim to represent.

America became an economic success of unrivaled performance, never concerned about national identity or how it defined itself as a country. Americans made this success possible, some of them at great sacrifice. They benefited, in degrees, from opportunities and from the prosperity of the enterprise. Their own hard work and dedication to economic success can never be overestimated. Their own political emancipation, however, was never more than marginal. The better they had it individually, the less they cared for the rest. What drove the American was not a political goal; it was the economic purpose. Conditioned to care only for themselves, Americans lost their social instincts and even the inclination to think in terms of social and civic responsibility. Stupidity was the inevitable outcome of this process.

Parties became representative of business, industry, commerce, and finance, and later of the military establishment. In this capacity, they advanced, and continue to advance, their priorities. For them, to be patriotic is to be economically successful, and vice versa. It has been affirmed more than once

that, “They always wave the flag as they take you to the cleaners.” Morality has played a minor role, if any. When, for instance, parties play the demagoguery of reform, it is not for the Americans, it is for the economy: more freedom to be successful at any price. Even tax reductions, the most cynical “gift” to taxpayers, are meant to facilitate more consumption, not to create smarter and more responsible Americans.

Using politics in promoting speculation at a high risk to society, goes beyond the phylogeny of protecting America’s opportunity to expand. In July 2007, the Securities and Exchange Commission repealed the “uptick rule”—a regulation from 1938 responding to the market crash of 1929. In the shortest time—beginning November—a “bear raid” (a market manipulation) caused the fall in the share price of a major American financial institution. Experts believe that this may have played a major role in the ensuing financial crisis.⁵⁶ The Federal National Mortgage Association (“Fannie Mae”) and the Federal Home Loan Mortgage Corporation (“Freddie Mac”) were political creations intended to facilitate home purchases for less affluent, first-time buyers. Corruption turned these government-supported institutions into sources of wealth for politicians and into profit-generating entities for the banking industry.⁵⁷ There is no incentive to take a responsible approach to risk when the sums loaned out are insured by the government, not by the lending institution. When the party in power (Clinton, 1999) repealed safeguards for financial transactions (the Glass-Steagall Act of 1933),⁵⁸ it literally bought votes. When it advanced the agenda of unions, lawyers, and various other interest groups, it advanced the shabby democracy of opportunistic convenience. Parties count the future votes of influential minorities and interest groups and do their best to get them. Principles do not turn the lever of the voting machines in the USA. Money does.

The political spectacle of parties fighting for their share of power, and of politicians milking the system, might recall the verbiage of the debates leading to the Declaration of Independence, the Revolution, the Constitution and the Bill of Rights. The past is often reconstructed to fit the purpose of individuals

56 Misra, V., M. Lagi, and Y. Bar-Yam, “Evidence of market manipulation in the financial crisis,” New England Complex Systems Institute.13 December 2011. <http://necsi.edu/research/economics/bearraid.html>

57 Morgenson, Gretchen and J. Rosner. *Reckless Endangerment: How Outsized Ambition, Greed, and Corruption Led to Economic Armageddon*. New York: Times, 2011. Print.

58 The Glass-Steagall Act, named after the two Congressmen who proposed it, separated investment and commercial banking activities of financial institutions. The practice of commercial banks carrying on investment activities is believed to have caused the massive bank failure that led to the Great Depression.

and groups selling themselves high, while they sell their constituents low. The business focus of today's politics is only a continuation of the spirit in which the United States came into existence as primarily an economic entity. Rulers, enjoying privileges they gave to themselves, issue laws that are meant only for the ruled. This is an extension of life under monarchy (or dictatorship). It was not supposed to turn out this way.

Throughout history, from the oldest democracies to the most recent, democratic processes proved to be difficult. In the USA, where it is almost impossible to distinguish between economy and politics, the original mandate of a broad consensus was corrupted. The most urgent social challenges—healthcare, equality for all races, gun control, and treatment of self-destructive behaviors (alcoholism, drug addiction, smoking, violent sports)—were sold out as business opportunities.

The Business of Politics

To buy and sell influence, this is the “business of politics.” The business of politics also involves the methods used to influence politics. Politicians have a product to peddle: their growing power to decide. Investors—businesses, interest groups, foreign entities—in search of decisions favorable to them, pursue them. This was the case from the first hours of the Republic, and with its initial and successive administrations. Hamilton, Jefferson, Adams, and the Congress represented economic interests that shaped their political pronouncements and actions. Madison took note of the expression of self-interest “sown in the nature of man.” Americans were, of course, excited by the possibility of pursuing their own interests. The British rules of exclusion that prevented expansion into the western territories were abolished. Politicians passed land ordinances, reflecting their own interests and those of others. This activity prepared for large-scale settlement, i.e., economic expansion. Politicians did all they could to make the expanding Union into a common market. What Americans experienced at that time was similar to the birth pains of the European Union, in particular of the Euro as a new currency. “I am a Virginian first,” one Congressman declared, “but America is our future.” This is a sentence that Europeans will relate to. “I am French first, *évidemment*, but Europe is our future” has been echoed many times, in different languages—German, Dutch, Italian, Spanish, et al.—in the short history of a struggling European Union.

The business of politics, in which parties, politicians, and interest groups are involved, more often than not conflicts with political principles. Just consider fundraising—a full-time job for a politician—while still on the public payroll.

Paid to “work for the American people” (a formula whose demagoguery is matched only by its cynicism), members of the government (president, congress members, judges) never cease their pursuit of financial support. It is money for themselves they are seeking, and for their party (sometimes), not for the country. They will assume leadership and raise taxes when necessary—higher taxes do not make for more votes—but they will finagle millions for themselves. Every pocket is fair game for fundraising, conflict of interests be damned! All this goes on to the mantra that states “The days of corporate lobbyists setting the agenda in Washington are over.” “They write the checks and you get stuck with the bill,” a presidential candidate loudly affirmed and later impertinently ignored.

It is pathetic that even the Supreme Court finds no problem with the prostitution of politics. If corporations indeed have a judicial status, they do not—no matter how much you stretch “freedom of speech”—become citizens. However, America accepted the Supreme Court ruling to the contrary despite its political consequences. “We the People” (individuals) tried forming “a more perfect Union,” not the corporations. At least not on paper. Political leaders feel comfortable with the arrangement that brings so much more corporate money their way. Suspicious of “corporate personhood,” the public never found effective ways to request reconsideration of this perversion of politics. When Occupy Wall Street brought up (among many confusing messages) corporate personhood, Americans could not make sense of it.

Funding of politics, of parties in particular, establishes a variety of dependencies. Constituency in a party is rarely, if ever, able to grease the large machine it represents. Not even a party of the rich—the Republican Party is often accused of being one—could live from the dues it collects. As with every business in capitalism, the capital needs to keep growing, otherwise the party disappears (recall the American Green Party, to mention only one recently failed political enterprise). The same applies to the business of interest groups. The Moral Majority of the 1980s is gone, not because it never was a majority, but because others—We the People, Christian Voice, People for the American Way, etc.—monetized the moral terminology more successfully. The party reproduces its “productive cycles” leading to victory in elections, the real trophy with the associated return on investment. Interest groups live on account of the causes they pushed successfully on local, state, federal and global levels.

After 30 years of dedication, a professional party activist quit his position in Washington in disgust. He was angry at the lobbyists, lawyers, and bankers “who shuttled between jobs predicated on corporate cash and increasingly

prominent positions in Party politics.” He was angry with both leading political parties for letting so much corruption arise. He was “radicalized by the realization that our government has been taken over by a financial elite.”⁵⁹ Elizabeth Warren went so far as to declare before the Democratic National Convention: “The system is rigged.”⁶⁰

Politicians keep devising means and methods for acquiring and consolidating power; interest groups do likewise in order to promote their causes. Interest groups don’t seek a mandate; they constitute self-appointed businesses hiding behind not-for-profit status. It is economic war, and it involves large amounts of money for deploying technology and developing new means to entice the population. If the battle were fought in order to articulate new ideas, promote values, engage and empower voters, America would benefit. The battle is not about empowering voters, but rather about ways to get them even less interested in the country’s destiny. The rise in interest groups has weakened the parties, but has not increased individual participation in the political process. For politics serving the economy, it is more important to stand on line for the latest cell phone or tablet (made in China, of course) than to be involved in the process of giving direction to the country. Involvement in competitive shopping by far exceeds participation in the political process.

The American method of gambling with “other people’s money” is applied over and over. In less competitive states (Alaska, Arizona, Mississippi, Alabama, Vermont, Maine), an elected official keeps a funding target of \$10,000 a week. In contested territories, the weekly target can be \$50,000 or even \$100,000. This amount of capital can no longer be achieved by soliciting pledges from constituents over the phone. Methods afforded by new technologies, such as artificial-intelligence-driven fundraising, dominate today’s political game. It costs money to get money. Telemarketing works in high gear for the candidates, as well as for a huge number (over 250,000) of interest groups advocating issues ranging from the insignificant to nothing less than humankind’s sustainability.

“It’s like sending a rocket to the moon. You have to spend an enormous amount to get into orbit.”⁶¹ In the absence of authentic public interest, from which politicians are farther and farther removed, parties and political action

59 Packer, George. “Washington Man.” *The New Yorker*. 29 October 2012: 70-81, (p. 81).

60 Elizabeth Warren: “The system is rigged.” Yes. Yes, it is. HotAir.com. 6 September 2012.

61 Marty Stone, cofounder of Stones’ Phones, a Democrat telemarketing firm, quoted in “Inside the Obama Money Machine,” by J. Weisman and D. Yadron, *The Wall Street Journal* (Election 2012): 19 November 2011.

committees (PACs) engineer fake “grassroots.” Political America orchestrates “spontaneous” public support. Self-delusion gives traction even to absurd causes. Have you ever attended a live TV event that cues the public audience so that it applauds, laughs, or boos at the propitious moment? This is it, at the scale of America’s entire political life: a performance. “May the best actors win!”

Political Duplicity

No description can keep pace with the endless innovations that are invested in the engineering of public opinion. This is, of course, no longer the representation by a political party, or PAC, or interest group, of its members’ political opinions; now it is fabricating them. The goal is to make opinions and attach to them individuals willing to sell their skills. Making a video for YouTube, Blackberry, and iPhone is by far a more productive investment than is creating a form letter or e-mail. The viral dissemination of stupidity, i.e., messages at the lowest possible common denominator, generated by machines—algorithmic wisdom—is the result of such party-based indoctrination on behalf of its economic goals. Each campaign—from the most dignified to the most debased—utilizes the latest technology and employs tens of thousands of people. Each campaign takes available money, including public money, and circulates it—as does any other business. Move money faster and faster—this is the only way to make it work for those who own the capital. This is how profit is generated.

In the economic equation of this apparent political activity, America counts as a market, not as a country. Those who practice politics as business, which includes all kinds of consultants, love to expand to other markets. They have courted Saudi Arabia for its oil and money, to meet the king (bowing or not) is a must. They court Israel for its influence over the life of America (and vice versa). Africa sounds good when you reach out to people sensitive to the many problems that the “Black constituency” faces. Look out for the Latinos and Latinas, for the Moslems, the lesbians and gays. There is no election in the world, even where Americans are not officially welcome, that does not involve America’s know-how in winning—but without involving liberty.

In the 1780s, George Washington encouraged America to become an asylum, a refuge, for the “oppressed and persecuted of all Nations and Religions.” Currently, over 11 million Mexicans qualify as illegal immigrants. Some have been in the country for over 25 years. They are not in America because they cannot be good Catholics in Mexico or because they are persecuted by their own nation. In fact, they are very patriotic, even nationalistic, towards Mexico: in Los Angeles, Phoenix, and Dallas, they waved the Mexican flag and protested, America’s unwillingness to address immigration problems. Their readiness to

work hard and accept unfair treatment (low wages, limited benefits or none at all) does not stem from political motives. In order to partake in prosperity, they run away from home. They will never speak English, and never give a thought to who is in power in the USA and what politicians stand for. The USA is not so much their country as it is their employer. The economy needs them; they are willing to work in positions that Americans consider beneath them.

The immigrants' calculation is as cold as that of the politicians using them as pawns in their games. Parties exploit the issue of illegal immigration in rallying those who, in their own America, did not yet get their share of the good life or feel entitled to more. But they also know that cheap labor is what the economy demands. Illegal immigrants might indeed use tax-funded resources: schools for their children, emergency medical services, roads and highways, etc. They might cause accidents on the highways; they might include drug dealers, pimps, and prostitutes. Nevertheless, they keep the USA rolling. The profits on their efforts are significantly higher than those of the Americans who know how to milk the system.

In today's world, the migration of people seeking opportunities reflects the fundamental characteristic of industrial capitalism: cheap (often underpaid) labor maximizes profits. The countries left behind in economic development end up with a surplus of people who will do anything they can to survive. America could lead in advancing economic progress, were it not in the game of getting everything on the cheap. In collusion with those who profit from illegal immigration, politicians tell their constituencies a story different from the one they declare in their policies.

Americans have failed to realize or to publicly acknowledge that the economic engine was fired by the wars in which the country has been involved. Political duplicity contributes to this. Regardless of their political inclination, Americans don't realize that the "War on Terror" kept the unemployment rate as low as it was before the oil crisis and the sub-prime mortgage debacle. This war is yet another act of political-economic stimulus. Similarly, few, if any, ever give a thought to how the economics of politicking works. For the sake of illustration: Consider stimulus packages in which a short-lived employment program paying \$60,000 a year in wages costs the taxpayer \$300,000. This is, *par excellence*, robbing from Peter to give to Paul (and to all the hands in between). These are expenditures that keep the economy moving.

Detailed examinations of how political life affects economic outcome have produced rich data on how the electorate and various organizations were and are manipulated. During the months preceding elections, politicians

make economic decisions that are equivalent to buying votes. Provisionally diminished taxes, reduced inflation numbers, student loans, attempts to keep unemployment figures low, stimulating higher GDP, all kinds of exemptions (the famous “waivers”) are among the prizes dangled before Americans in order to entice them to vote and to give money. Such measures document the influence of political interference.⁶² As recently as the 2012 presidential race, the electorate was offered the carrot of reduced Social Security contributions. If stupidity hurt, the people who were “bribed” would be on the streets screaming in pain. Did they not even think to ask themselves why, if Social Security is going bankrupt, the government is accelerating its demise? Many Americans became dependent on this “extra” money in order to maintain spending habits that they should have better readjusted. In 2013, they were shaken by the abrupt termination of this so-called economic stimulus. No one cares to use reason to evaluate pre-election “gifts”—they tend to come at holiday time, at that.

It would be even more appropriate to examine the economic variables that determine political directions. More precisely: how much money is spent, year after year, by lobbyists, PACs, and everyone else who is expecting to receive favors of political action beneficial to them. If the economy were effectively influenced by politics, and the most stupid believe it is, the voters could claim credit for the achievements that place the USA in a leading position in many fields. In reality, the economy guides politics on the path most advantageous to its goals. It does so largely in utter disregard of the voters.

Party agenda reflects the economic interests of those sucked into political activism. Political tribalism is practiced without shame. Once upon a time, the “tribes” were the WASPs (White Anglo-Saxon Protestants), the Irish, the Italians, and the Jews. You could not win an election if you disregarded their interests. In America’s ever-shifting demographics, the Blacks gained political weight, so have the so-called Latinos. While solidly Democrat after the post-Civil War Reconstruction period, Texas and the rest of the “solid South” (i.e., the former Confederate States) turned Republican after the passage of the Civil Rights Act. Parties build their long-term strategies not on account of the nation’s priorities, but of cynical tribal strategies.⁶³ Demoscopes furnish the numbers

62 Tufte, Edward R. *Political Control of the Economy*. Princeton, NJ: Princeton University Press, 1978. Print.

63 Lizza, Ryan. “The Party Next Time (A Reporter at Large).” *The New Yorker* 19 November 2012: 50-57. Print.

“In not too many years, Texas could switch from being all Republican to all Democrat,” he [Ted Cruz, Senator elect from Texas] said. ‘If that happens, no Republican will ever again win the White House. New York and California are for the foreseeable future unalterably Democrat.’” (p. 52).

of Blacks, Hispanics, Christian Evangelicals, gun rights advocates. Politicians make sure that they play the numbers to their own advantage. Thus, issues of political sovereignty morph into opportunism.

Americans of all conditions live under the illusion that they actually have a say in America's destiny, economic or social. This is what politicians tell them. Reality is different. The economic laws of increased capital concentration (through more mergers and acquisitions), of maximizing profit, of the faster movement of capital, and of expanding markets are at work independent of the great political proclamations. As systemic characteristics, they are not subject to ideological debate. Neither shareholders nor politicians could prevent capitalism from behaving the way it does. In reality, the economy, resistant to review and rejecting political steering, "uses" politics to its own benefit.

A Matter of Legitimacy

In the context of the fast-changing information society, the justification for parties is placed more than ever in doubt. Americans wonder whether the party system continues to make sense, and even whether there is any legitimacy to the parasitic interest groups speaking on their behalf, without their permission. The Constitution did not provide for parties, but it did not prevent them from becoming part of the entity it described. Unfortunately, Americans, too long conditioned not to care for anything but individual prosperity (as relative as it is), gave up their sovereignty to various shades of activists, often imposters taking advantage of America's wealth.

Faced with the danger of failure, their own included, Americans might possibly choose to retake their destiny in their own hands. If and when this could begin cannot be guessed. In recent years, civic activism has increased considerably, not only through the Tea Party movement, or through the still unfocused Occupy Wall Street militancy, Fix Congress First, and Rootstrikers, among others. It is conceivable that nuclei of shared goals will replace centralized parties. If politics and government kept up with today's dynamics, the party as a political permanence would have been bankrupted many times over.

Does Politics Make Americans Stupid?

"Are you stupid?" can and should be asked of people comfortably ensconced in their commercial democracy. America-the-Economy and Americans, on whose account the economic engine keeps running faster and faster, make up a contradictory entity. The Americans of the age of plenty are not willing to pay for what they want. They pay for cars, but don't care to pay for

maintaining roads and bridges, not even for cleaning the environment and atmosphere. They pay for good looks, body fat removal, breast enhancement, and spas, but not for healthcare. They pay for personal enjoyment including pornography, sado-masochistic experiences, vulgar comedy, overpriced restaurant meals, psychiatric support, and gourmet food for their pets, but not for more culture, and even less for helping the truly needy (25 percent of America's children lives in poverty).

Are we Americans so stupid that we do not to realize the consequences of commercialized politics? Probably. We usually have a good time laughing about it. Millions watch TV shows such as *The Colbert Report*, *The Daily Show*, and *Saturday Night Live*. Nevertheless, viewers seem to ignore the fact that patriotism refers to our homeland and the effort needed to build, maintain, and defend it. Years ago, Barney Frank⁶⁴ put it candidly (in his peculiar way of speaking): Congress might not be so great, "but the public ain't no bargain eeder."

Democracy, in affirming everyone's right and obligation to participate in social processes (including but not limited to elections) does not automatically eradicate stupidity. True, in observing the behavior of party delegates at their state and national conventions, one would conclude from the foolishness on display that politics itself is a circus, and not a serious enterprise. The political spectacle is a good example of stupidity in action. Even the Founders' Convention had its quirks, but nobody could have predicted the grandiose political spectacles of our time. Still, democracy is not necessarily conducive to stupidity. Rather, herd behavior exemplifies how democracy can fail when individuals do not live up to the rights bestowed upon them, and responsibilities corresponding to their freedom. The deep meaning of democracy, i.e., the rule of the *demos*, is associated with action that is supposed to be guided by a sense of responsibility. It is with this understanding of democracy that nobody would qualify dictatorships as forms of democracy even if, at times, those who followed Hitler, or accepted Stalin as their leader in war, were "the people" i.e., the majority of the population. Outcomes of engineered elections, an American innovation perfected in the digital age, represent those who engineer them, not the voters. They create the illusion of democracy. Through their rhetoric, candidates inflame the rallying audiences, while at the same time they pick their supporters' pockets. The outcome of the election game populated by political avatars is not the power of the people, but a score.

64 Barney Frank, addressing the National Press Association ca. 1987.

Democracy in action is the living testimony of what and how individuals think and how their knowledge translates into action. Democracy in action is very telling of what motivates the choices of the participants, and what informs their social and political identity. When people abandon thinking, they make democracy impossible. Consequences of decisions and actions need to be realized *before* carrying them out, not after. Majority does not automatically ensure awareness, and guarantees responsibility even less. Choices can be, and often are, based on the lowest instincts. Mob behavior does not qualify as democratic, which is why the Founders feared a democracy, even when the mob reaches the scale of a party, or of a majority within a community or country.

Democracy is always an answer to the *Why?* question, not to the *What?* question. Indeed, why a certain course of action, significant to all, is selected from among many possible choices, is a better qualifier of democracy than is a statement of the purpose. “Why health care?” is a question that Americans have been asking for a long time. “Why give to bums who don’t work something that others work hard for?” is the dominant view of Americans, rich and poor. Or worse, “Let everyone take care of their own needs.” If, as we learn from statistics, over 46,000 Americans die yearly because medical care is not extended to all of them, this reveals something about what medical care provides, or fails to. Deficient medical care—lack of hygiene in hospitals, incompetent doctors, or profit-driven treatments—kills more Americans (statistics say over 200,000, some go as far as 500,000) yearly than lack of universal health care.⁶⁵ Democracy does not fix the quality of medical care, or its high price. America has the highest paid doctors in the world, and they are great contributors to parties protecting their income.

But within a democracy, members of society have a sense of shared responsibility. Hence they can practice equality in respect to law, medical care, or education. The “Prozac democracy” of feeling good—“We passed a medical care law!”—will always fail. Prozac is by now a class-action lawsuit. (The anti-depressant can lead to violent behavior.) Even the illusion of feeling good can become a court case. Wait until marijuana dispensaries are sued!

65 *The New England Journal of Medicine* (11/25/2010) reports that 18% of patients are harmed by medical care. Errors from medical treatment, known as iatrogenic disease, are the third most fatal disease in the USA. A report from the National Academy of Sciences pleads for the reduction of the “stunningly high rate of medical errors.” Sanjay Gupta’s novel *Monday Mornings* (2012) is based on the high number of medical errors. from the National Academy of Sciences pleads for the reduction of the “stunningly high rate of medical errors.” Sanjay Gupta’s novel *Monday Mornings* (2012) is based on the high number of medical errors.

The Price of Democracy

A democratic perspective starts with the *Why?* question. Only after establishing that there is a fundamental principle—all people are equal—do certain actions qualify as democratic. In the language of the Declaration of Independence, “all men are created equal.” This declaration characterizes democracy as something more than the right to vote or the right to be elected. This principle entails practical measures. “Equal before the law” means that the law applies uniformly to all, not just to those who can afford to pay for it. In respect to health, it means equal access to means and methods for maintaining good health. Whether medical care takes the accepted form of Medicare (social in nature, America cares for the elderly), Medicaid (America cares for the poor), of private insurance, of a one-payer system, or of a public alternative is less relevant than the democratic meaning of the right to equal access to medical care. When President Obama said, “I have a doctor around the clock, so medical care is not my problem,” he probably did not realize that the statement is profoundly undemocratic. Healthcare should not be, as it unfortunately is in America, a privilege of power or wealth, or good luck (or good looks). In an effective democracy, all lives are important. Therefore, all members of society—presidents and workers, employed and unemployed—would have, if society deemed it meaningful, and made the effort to support it, medical care of the highest quality, around the clock. Of course, in a democracy, the citizen will respect the right and not abuse it. All contribute, within their means, to make the stated equality a reality. Yes, in a democracy, the president and members of Congress and of the Supreme Court would pay for their medical care and retirement like everyone else in the country. Does this sound like socialism? To paraphrase the declaration attributed to Patrick Henry, “If this be socialism, then make the most of it!” Socialism for all is better than socialism for the rich only.

In a democracy, the government cannot decide what its members should be paid, and in what privileges they should indulge. Actually, it should not even be allowed to dispose of taxpayer money without any checks and balances. Moreover, it should not be allowed to mortgage the country to those who undermine its will to live within its means. Just look at those who own the huge debt incurred by Americans living beyond their means. America, Ltd.—read “limited,” even though America lives the illusion of unlimited—borrowed blindly in the hope that the time to pay its debt would never come. In reality, countries don’t have debts; their population ends up being liable. In this respect, America, Ltd. took advantage of the stupidity of its clients and treated them as

employees, not as owners of the homeland. In a democracy, the people own the country. The government is supposed to work for them, at their discretion, and for their good.

The USA turned democracy upside down, promoting a model of dependency on the system. There are long-term consequences to the body and spirit of democracy when a society is addicted to the right to be stupid and is encouraged to become even more stupid. This model is not tenable, even when living on someone else's money. The world is currently in the post-nation-state phase, when the government, despite its continuous growth, is declining in significance. The overhead of parasitic institutions—bureaucracy, interest groups, political parties—has become a burden on the economy and on Americans. Like the rest of the world, the USA has to wake up to the reality that it cannot afford an excessive and ineffectual government. Clearly, America, which stimulated change in the world, is captive to the post-industrial capitalism of high profit to the extent that its own survival is at stake.

It would be meaningless and counterproductive to demonize all politicians. As hard as this is to accept, individuals who are ethical, responsible, and dedicated to democracy can be found in Congress, in the executive branch, in courts, and in public interest groups. Animated by best intentions and dedicated to the people they represent, they act, within the logic of the system, in a manner that makes their own understanding of democracy questionable.

Frequently, as part of the system, they give up their critical abilities. The political debate on medical care is only one recent example. It extended over many successive presidencies and even more Congressional sessions. The same is true of the debate on the debt ceiling (which is periodically raised). The debate over federal budget reduction has been going on for years. Several sound plans have been set forth, yet Congress acts as though its members live on another planet. Indeed, they do: the planet of self-interest. Instead of democracy at work, reflected in people's ability to steer the political process, America embodies post-industrial capitalist economy at work for its own benefit (and survival). Lobbyists (many of them professional politicians) representing all kind of interests, supplant citizens. Business is telling Americans, through their representatives, what kind of medical care they need. Business (in particular the pharmaceutical industry) tells Americans what kind of drugs they need, and how much they should pay. Business tells Americans what to do with the debt. Business dictates wars: how large a military establishment the US "needs"—that is, how large the profit from delivering everything the military wants. These are neither more nor less than the expression of economic expansionism,

the American system born together with the Union. Given that the American system has reached its potential, it probably needs to be replaced. Not even the “darn most sincere and dedicated public servants” (the formula makes many choke) would today vote for their own dismissal, even if this were the last resort for saving American from its own political depravity.

America-the-Economy says: We are going bankrupt because the costs of Medicare and Medicaid are spiraling. We cannot afford them. If this were so, Americans would have to choose. For example: How much do we spend on the military? If a soldier who risks his or her life in Afghanistan for someone else’s economic interests costs the taxpayer one million dollars a year, how much is the USA willing to spend for the health of an American civilian? If wars cost one billion dollars per day, how much does a bad medical system cost? If education, as mediocre and inadequate for our time as it is, costs much more than it should, what are the alternatives? How much to pay for an educational system that fails the children whose future depends on the knowledge they should gain in school? If the government costs way too much and is ineffectual, why not rethink the system? Why not look towards the future instead of continuing policies and ways of thinking that are pertinent to a past that is so much different from our age?

Other questions come up as well: How much does America spend on political parties, lobbies, PACs, and interest groups, on political bickering, on those delirious political spectacles called “conventions”? It is probably time to declare a separation of party and government. America should never limit the freedom to peacefully associate, and even to elect candidates to an office. But party business and government should be as separate as are religion and state. You can be a religious or non-religious member of the government. But once elected democratically, not by virtue of money or lobby promotion, you cannot be a party congressperson or president, you must become an *American*: a citizen concerned only about the people he or she represents, and the country to which you belong. “No party activities while in office”—this is a minimum to be expected of public officials. Political power cannot be inherited. This is what America decided when it threw off monarchy. Maybe America should consider how wealth is inherited. This means: distribute the wealth, to which many contributed, to those who facilitated its accumulation, instead of automatically passing it to heirs who probably never participated in creating it.

Government—all those branches—acts as though nobody is capable of understanding the complexity of some of the issues debated and the decisions

made. The members of the federal government's three branches, like everyone in power, are addicted to the money that business pumps into their accounts in order to have its interests promoted as political goals. It is the stupidity of the American people—whose money the government sucks in—to accept the class of professional politicians. Aligned under some party affiliation, as deeply reaching as their addiction to power, they are in the game for themselves, not for the people they are supposed to represent.

Term limits, an argument always countered by "Vote them out if you don't like them," might be less democratic than we would accept. But America places a term limit on the presidency and should probably limit it to one term, of six years, for example. Nothing speaks fundamentally against extending term limits to Congress and, yes, to the Supreme Court justices, who are not subject to popular vote. Tenure does not give Supreme Court justices independence, as some assumed. Rather, it encourages the impertinence of nine persons who consider themselves above anyone's judgment. In addition, tenure does not improve their ability to understand change against the background of guiding principles, such as those expressed in the Constitution. A totally politicized Supreme Court, immune from democratic scrutiny, abducted the law and subordinated it to misconstrued economic priorities and party schemes.

America will need eventually to rebuild its democratic foundation by liberating elections from the economic dependency to which it is tied today. Participatory democracy is not easy to achieve. But if Americans do not participate in determining their destiny, the USA will never be a democracy, if it actually wants to be one.

In today's America, the disconnect between Americans and what is deemed to be politics—for which the majority have no effective interest—conjures stupidity rather than freedom. The freedom not to care for anything other than one's own well-being, often to the detriment of others, is stupidity. Freedom disassociated from responsibility is meaningless. Individuals call themselves Americans when it's in their interest to do so or shy away from this identifier when it might handicap them.

The USA never had a "Bill of Responsibilities." Nobody asked for one. If someone should dare to come up with one, Americans will certainly oppose it. Fewer immigrants and asylum seekers will knock at America's doors. But at least those who will come will know what is expected of them, and not just what they expect to get, i.e., the entitlements that some come for and know how

to acquire better than they know the Constitution or the country's language.

It took the USA a long time to arrive where it is today. Those fully identified with the system of power of America-the-Economy will argue "If it ain't broke, don't fix it." Others might notice that America is broken. The current crisis is unlike any other she has ever gone through. The USA will either remake itself as a viable country, dedicated to authentic political (as opposed to commercial) democracy, or it will fail.

Paradoxically, everyone is sick and tired of politics and politicians, but America actually has no real political activity, at least none dedicated to the condition of the polis, of the community of people who make up the USA. The system has marginalized "the People," turning them into confused beneficiaries of a rather capriciously threatening commercial democracy. Able only to consume, on the ascending curve of the crisis cycle, but not to partake in defining their own future, they fail to acquire the power and competence of enlightened citizens. The only hope for America to live up to her promise, which still attracts so many from around the world, is for the people to wake up. They have to realize that they cannot be free without freeing themselves from their own stupidity.

THE RIGHT TO MEDIA-OCRACY

Americans have unlimited access to media.⁶⁶ There is more of it in the USA than in any other place on Earth. Some is very good, some (the majority) not worth mentioning. Access to it eventually becomes a right, and finally a curse. There is no way to escape it. Becoming captive to media is unavoidable. The football game is a *media event*, and so are the increasing number of random shootings at schools and malls, wars, the economic crisis, kindergarten performances, elections, a trip to McDonald's, searching for an address on the cell phone, shopping, playing games, watching television. Displays are everywhere. YouTube videos are projected on in-store mirrors used to discourage shoplifting. Everyone wants to be in a movie or on television. Even closed-circuit surveillance cameras satisfy exhibitionist instincts. There are messages (and disclaimers) on toilet paper, adult diapers, t-shirts, and hairbands; music carries them, and so do ringbacks. From intimate sex, to cooking, education, prison life, government deliberations, everything is "mediatized."

Bandwidth, facilitating the great number of channels for music, comedy, talk shows, and video (including webcasts), is more generous than ever. All (or almost all) movies are online; so are TV programs, books, magazines, operas, concerts, church services, theaters, museums, and pornography. Your next visit to the doctor takes place online. It all adds up to a communication and interaction environment rushing to reach the scale of the natural environment, and eventually to replace it. Anyone can generate messages, in as many formats as they'd like. The trivial (and sub-trivial) and the most demanding are all turned into media that is easy to disseminate and monetize. There is a vacuum waiting to be filled that involves more capacity (bandwidth and faster speed) for a 24/7/365 cycle of media presence that will then expand even more. The need to fill the channels (how otherwise to pay for them?)

⁶⁶ The term "media" ("the media") is used herein as a collective noun, which takes the singular form for verb and pronoun.

unavoidably leads to huge differences in standards (of delivery, content, and reliability). “You need a license to drive a car. You don’t need a license to get on TV and say anything.”⁶⁷

The Constitutionally warranted freedom of speech singled out one business, the press, for protection. Freedom of speech concerned the political domain. Later, the guardians of the law of the land opportunistically generalized this right as “freedom of expression.” It covers—and protects—everything issuing forth from the human being. Technology amplifies the effect. What used to be expensive to produce (a book, or a movie, for example), and even more expensive to disseminate, is now worth less than the time a person needs to take it in—read, listen, watch, play with, discard. Time to reflect upon the experience is eliminated. Perception has been “democratized:” budgeted down to the lowest common denominator. America, which did not care to become a democracy, had no need for media as a prerequisite for an informed citizenry. Rather, it enlisted media for the commercial democracy of consumerism. In this respect, media, as part of the post-industrial capitalist economy, is subject to the American free market system. It has successfully pursued the profitable, often to the detriment of the meaningful.

At any moment in time, media is there to seduce. Midnight and sunny workdays are chock-full of it. At home, in church, on the farm, in a university auditorium or lab, in the hospital, at the funeral parlor, driving, working on the assembly line, programming, sleeping: whatever we do, wherever we are, media cannot be avoided. Messages of love and hate, of ignorance and enlightenment, and of human respect and depravity, rush in search of a destination. They travel the waves, the glass fiber, the route from printing presses to the printed page, from ubiquitous “digital eyes” to monitors and large-screen projections. Lately, machines watching over other machines exchange messages on behalf of those who can afford to avoid them.

The individual no longer searches for information. Rather, media chases after ears and eyes in the hope of reaching the mind, or at least the instincts. Foraging for ears and eyeballs is comprehensive to an extent that was never anticipated in a free society, which is adverse, in principle, to the invasion of privacy. A blink while you watch an ad or a movie, a gesture while you listen to rap music or a symphony, and tapping while you read—such indicators give you, as a person, away. Media is no longer a window to the world, opened to readers and viewers, but rather a merciless probe finding its way into the intimate inner workings of all human beings.

67 Press Secretary Robert Gibbs. “Don’t Need A License To Get On TV And Say Anything.” Fox News 24 May 2010.

In the message, each word is calibrated for maximum impact. It can be changed “on the fly” if it does not reach its goal with the first attempt. It would be funny if it were not scary. Whether a certain shoe style makes sense, one diet pill is more effective than another, or a certain shampoo will rid your scalp of dandruff better than the others is not a matter of democratic deliberation, or even of personal choice. The message finds its receivers and engulfs them in the mirage of owning even what they don’t need, telling them they can buy it with money they don’t have. Technology-driven media decides for the public whether a party or a politician is trustworthy, and even whether new legislation is meaningful. When individual sovereignty is entrusted to media, which is supposed to represent the public, Americans discard the responsibility of exercising it.

Media and Democracy

The Bill of Rights sets forth that “Congress shall make no law...abridging the freedom of speech, or of the press.”⁶⁸ When the Bill of Rights was added to the Constitution, the new USA was still a society living on a small scale of life and work. Change came about slowly, and it was easy for society to accept and absorb. Still dominated by the British ethic, post-colonial America was relatively homogeneous in respect to mores. Despite the discontinuity caused by the Revolution, Americans operated under the expectation of permanency of principles, which corresponded to religious beliefs. Social order was preserved. What changed was the framework for commerce and business. Freedom of speech referred to a political discourse in which liberty was associated with few choices. It relied on speech patterns that a literate person would use and understand.

Postulating freedom of speech and freedom of the press as fundamental rights in America-the-Economy, the Constitution provided a basis for what would eventually become a more influential newspaper industry. It secured public access to information pertinent to the social and political life of the people. The immediate context counted most. Money from advertisers paid for this access. No other place on Earth had so many advertisers in search of opportunities. They took up most of the available space on a page. The very colorful history of the press in the USA testifies to how business and public service played against each other. The right to speak freely was internalized, and was eventually generalized to mean the right to write, print, and distribute any thought, if someone endorsed it (read: paid for it).

68 Amendment I

England, of course, provided the model for the first publications in the colonies. Press archives reveal that Massachusetts, Pennsylvania, South Carolina, and Virginia had a lively press. *Publick Occurrences* in Boston was a first in 1690. James Franklin's *New England Courant* (begun in 1721) combined reporting and social criticism. The major tendency was to question authority—the great obsession of the time. The *Courant* invited readers to give it vitality: “I hereby invite all Men...to speak their Minds with Freedom [...] their pieces shall be welcome...in my Paper.” This reads like an invitation to blog (long before blogging was invented), and indeed it attracted many “pieces”—some real, others made up—questioning those in power and religious ideas. A cursory read indicates that, for the most part, truth was sacrificed to partisanship.

After 1750, more publications appeared, serving as conduits for questions concerning the relation between the colonies and England. The *Philadelphia Evening Post* printed the Declaration of Independence; other “sheets” reproduced it. In 1783, when the Americans and British signed the Treaty of Paris that gave the colonies independence, there were 43 newspapers on record. Between then and 1787, the fight over States vs. Union became the focus. At the opening of the first Congress (March 4, 1789), the *Gazette of the United States* reflected the sense of unity characteristic of the hopes expressed at the time, despite partisan bitterness.

Printing was still expensive in those days, but by the 1830s, progress in print technology, and the sale of advertising space, made “penny-papers” affordable to the literate public. Increasingly, news became a commodity, part of the growing economy. Sales were important, and in order to increase them, scandal-mongering and sensationalism also increased. “Yellow journalism” flourished long before Hearst's papers gave rise to the description. But investigative reporting also took hold. Through the years, America established an enviable tradition of free press. Various technological developments, some now forgotten, supported a broad notion of freedom. Messages changed just as much as did the ability to disseminate them, benefiting from Morse code, the telephone, and radio waves. The photo camera, radio, TV, and more recently, the Internet and wireless devices augmented media's pervasiveness. Of course, these outlets are not passive “containers;” they are also means for shaping messages. The role of the message in society grew to the extent that over time media—including all that is transmitted through an intermediary—became another power in the Republic, the so-called “Fourth Estate.”

Democracy is meaningful only if it is embodied in the participation of the demos in social and political experiences. Very few Americans would give media credit for having improved democracy. Its influence on the system is difficult to assess. The papers of pre-capitalist America (more the result of printers' craftsmanship, with small runs) had a rather limited, local distribution. In the industrial capitalist economy, owning the printing presses (the most powerful means of media production) meant owning the messages, and the one-to-many paths for further dissemination. Profit was based on the value added by the act of printing or, later, broadcasting. Advertisers paid for the media based on the expectation of increased exposure of their products to readers. The printing press is similar to the machines that made mass production possible, and the one-fits-all industrial philosophy.

In post-industrial capitalism, it became possible to use and reuse the message. This is a trait of the transaction economy: selling the same thing as many times as possible. It also became easy to fine-tune the message for different groups, and even to customize it for specific individuals. Today, profit is no longer based on the message itself, but on how well the media fits the individuals. The goal is to integrate the public in market cycles of fast change. Media outlets have given up any semblance of informing or educating the public. Instead, they have adapted to the public's competence or lack thereof. Within this framework, what Jefferson considered "lying" (he suggested that newspapers set aside sections for "Truths, Probabilities, Possibilities, and Lies") became the freedom to create "convenient truths" that everyone can understand. Like the financial institutions, media is now in the business of "hedging": it speculates on the impact of news on the economy. It is an elaborate business—with much underlying, hidden, mathematics, and extremely high profit margins—that produces TV programs, movies, and online services. Google is part of this media economy, as are Facebook, iTunes, Netflix, Hollywood, even digital transmissions of opera in movie theaters and for pay-TV. In this capacity, the media business affects the business of politics (to which it is related) as it seeks influence that is ultimately meant to protect its own interests.

Does the Media Have a Responsibility to Democracy?

In pursuing its own economic priorities, the media cannot serve democracy. The democratic right to elect and be elected, not to mention to actively shape politics, is much less attractive than the right to consume and to be entertained. Therefore, media discards from its domain of subjects the responsibilities that individuals have in making a democracy work. Instead,

media focuses on conditioning its audiences to be indiscriminating, even addicted, consumers of sex, fashion, scandals, sports, movie stars, gossip: in short, of the insignificant.

In 2010, the USA sent 30,000 soldiers to Afghanistan in addition to those already fighting there. It was a controversial issue, a matter of life and death for some. Nevertheless, the press made Tiger Woods's extra-marital affairs the headline on the day of the deployment. Was Woods a diversion? If so, it was not the first. Check out the stories related to Anna Nicole Smith, Natalee Holloway, Monica Lewinsky, Lindsay Lohan, Bill Clinton (before and during his presidency), Anthony Weiner, and Eliot Spitzer, among so many others. Moralizing does not sell; undermining morality echoes the current trend. The media cannot stop feeding such stories to an audience already inclined to ignore reality and seek refuge in illusions. These stories are distractions from matters of profound significance, but they are highly profitable to those involved in fabricating drama. If information significant to the country's well-being is deemed worthy of attention, it is degraded to sensationalism, melodrama, or comedy, that is, entertainment.

Americans, drowning in oceans of irrelevant information, accept whatever the media serves them. In order to please everyone (or at least the lowest common denominator), appeasement has become media's main guiding principle. The public school of PC (political correctness) promotes a destructive form of mind control. It changed Americans' minds even more than corn (and cheap refrigeration) changed their waistlines.

The mentality of entitlement, of both the rich and the poor, of the powerful and the powerless, is, to a certain extent, a product of the media: Caroline Kennedy felt entitled to become senator for New York because the media, still enchanted by the Kennedy myth, supported her initiative. Bloomberg, who felt entitled to buy a third term as mayor of New York City for yet another 100 million dollars, could not have succeeded without support of the media. With media support, the provocative Rahm Emanuel felt empowered to flaunt residency requirements in his bid to become mayor of Chicago. Media cultivates dynasties because readers (viewers, listeners) are transfixed by images of royalty. Instead of alarming Americans to the dangers of losing freedom by abandoning their share of civic responsibility, the media creates diversions by fostering idolatry of celebrities, the new religion of the "free world."

Things don't look better at the other end of the entitlement continuum. The poor—and irresponsible—mother of yet another baby (she doesn't know how to count them), whose father will never be identified (she does not care to know

the names of her sex partners), feels entitled to benefits that other Americans must work hard to get. The media will turn her, and others like her, into a celebrity. Someone else will provide what such individuals, indoctrinated by the media, were led to believe they have a right to.

No one can be surprised that the media approached the economic crisis of 2008 as only a result of a lack of regulation. In reality, it was the inevitable consequence of a system driven by the ever-faster movement of capital, which leads to ever-higher profits. Of course, “lack of regulation” is easier to explain to an audience lulled into stupidity. The sense of entitlement of speculators to more wealth, and celebrity status, conferred upon them by the media that defends them, was rarely highlighted, if at all. The media embodies the entitlement mentality—its own included—to the detriment of society. If poverty and its causes will sell, the established media will report on them; if not, it will ignore them.

Americans are filling the media channels and the ever-broader bandwidth with mediocre content, making fools of themselves in the process. The situation is actually worse than that: The media consciously and actively rewards viewer-generated opportunities for voyeurism and gossip, rather than promoting values associated with, at the very least, a sense of responsibility, if not dignity. Freedom of speech was conflated with the soap bubbles of freedom of expression. It has become a freedom that addresses the animal in the human being, not the articulate, responsible member of society. Under the umbrella of this ambiguous freedom, everything, including the most degrading and disgusting, is acceptable. And protected.

To demonize the media—the sport of all politicians, and of the public, too—would be as useless as to idealize its accomplishments. In its activist frenzy, the press earned credit for uncovering abuse of power, corruption, and mismanagement, as well as the hijacking of the principles articulated in the Constitution. The Teapot Dome scandal, Watergate, Irangate, Abu Ghraib, the National Security Agency debacle, among many other cases, come to mind. Nevertheless, the quality of media reporting is inconsistent. On the day the media broadcasted that 38 percent of a sample of 1000 Americans failed a civics test (73 percent did not know why the Cold War was “fought”), 4000 explicit photos of soldiers grinning over corpses of the victims of their killing evinced a second Abu Ghraib. More photos quickly followed. Freedom of expression, which the majority of Americans cannot identify in the Constitution, extends to the morbid and disgraceful. And that is how it was covered. Nobody inquired as

to the deeper reasons of why such behavior takes place. A public conditioned to seek the path of least resistance simply does not care. In an interview with Chris Wallace, Jon Stewart observed that media focuses on the sensational, too lazy to deal with the meaningful. He could just as well have added “too incompetent.”

Does Hollywood know that more sex and promiscuity translates into stimulating—what else—more sex and promiscuity? Or that more killing—ever more gruesomely displayed—means only progressively greater insensitivity to killing? Violence, by itself bad enough in any form, can be associated with the acquired indifference of many towards killing and other forms of violence.

Compare the films of many years ago to those in our day. In terms of promiscuity and gruesomeness, there is no competition. The past, going back to the Republic’s beginning, should not be idealized. There was violence, murder, crime, and rape. But they were not fed, day-in and day-out, into the minds and souls of children, young adults, parents, and grandparents. They were not promoted as a new normality, or as expressions of freedom. It would be misguided to infer a sole strong causality between the depiction of violence and its manifestations in real life, but one cannot help but see a connection. The television and film industries, no less than the game industry, no less than all the media that disseminate them, have blood on their hands, just as the tobacco industry has the suffering and death of many smokers on their record.⁶⁹

The tobacco industry—which had many politicians in its deep pockets—knew their products contributed to illness and death. That did not stop them from producing and selling, however, because deeper forces were at work. Profit, of course, was the overpowering force. Politicians from tobacco-growing states had to keep the local economy going. Not to be discounted is the fact that people continue to smoke because they become addicted; they become addicted because, as with alcohol consumption, drug abuse, craving more and more powerful stimuli (videos of killing, adult and child pornography, images of gruesome murder scenes), they seek an alternative to a life they deem to be less than rewarding. Such escapes are the easy way out, like taking Prozac or Zoloft, Paxil or Effexor. The media-based escapism industry and the economy of never-diminishing excitement—setting an ever-higher threshold—are part of the same problem.

69 International Society for Research on Aggression (ISRA). “Report of the Media Violence Commission, Aggressive Behavior.” 38.5 (2012): 335-341. Web. <http://onlinelibrary.wiley.com/doi/10.1002/ab.2012.38.issue-5/issuetoc>

If Hollywood and the game industry were to pay for the millions of lives they negatively affected, the problems of addiction and escapism would not go away. But at least the lying—media’s protected freedom—would be dampened. Grooming viewers to seek lust and violence is as damaging as is indoctrination under totalitarian regimes. The media narrative reveals a paradox. The media praises itself when it associates propaganda with *idiotization* of the masses. At the same time, it claims that the messages the media transmits are inconsequential to human development, no matter how filled with violence, vulgarity, and questionable values and behaviors. And the media—contradicting its claim that advertisement has the power to influence behavior—suggests that, should there be a correlation, in no case can there be causation. Really? Advertisers would not pay exorbitant amounts of money for messages that only correlate.

Entitled to Entertainment—Idolatrous America

Freedom of speech and of the press changed from the literate expression of the early days of the USA to today’s *illiterate* expectation of entertainment, now understood as a right. One of the questions worth examining in this respect is: Was the nature of the people’s involvement in America’s political and social life affected by the change in the condition of the press, and later of the media? Instead of being a mirror of society, the media became its entertainer, with the obvious aim of affecting the public and democracy.

Through movies, television, radio, sports, music, and games, media comprises a very large sector of the economy. For average Americans, the amount of work they must perform to pay for food, housing, and clothing, and to provide medical care and education, is less than the work required to pay for “filling their time.” This is the economy of the amount of time that people have: part of the problem being that they work *while* they watch TV, listen to music, surf the Web, play computer games, socialize via networks, and e-shop. The amount of time that needs to be filled will increase as more work is performed by machines, or outsourced to other countries.

The expectation of entertainment is the result of a rather long process. It can be encapsulated as the progression from an encompassing literacy-based civilization to one of continuously multiplying partial literacies. These partial literacies correspond to the numerous new forms of human activity and interaction that define today’s extremely competitive world. In our time, the economy is heterogeneous, yet globally interdependent. The expectation

of literacy was superseded by expectations of instantaneous media impact.⁷⁰ The impetus to continuously break any rule—if any is left—originates from the expectation of immediateness. You don't need to go to school at all in order to be entertained.

When Americans talk and write about a 24/7 news cycle, they describe the 24 hours a day filled with information that ranges from the very important to the less than trivial, not to mention the aberrant. Day and night, in all possible media, everyone's life becomes, directly or indirectly, a message. The message item can be a baby's birth, an abortion (protested, hidden from parents, botched-up); it can be rain or drought; it can be soldiers massacred in combat, or killing the enemy; it can be government in action or inaction; it can be extra-terrestrials, tarot card readers—anything and everything. In this context, it is almost impossible to distinguish between the relevant and the irrelevant. Freedom of expression, no censorship, and unlimited choice—these sound so impressive. But they translate into a curse. Fed to satiety, individuals can no longer distinguish among the messages, never mind derive from them information that might affect their choices, and ultimately their lives.

Provided that Americans are highly educated—a goal neither discarded nor attained in the USA—they might be able to find their way through the media jungle. It is obvious that media itself does not promote education—neither political, social, nor cultural—but rather prefers to deal with the uneducated, the lowest common denominator. Solid education helps individuals to make selections. If America were selective, the majority of the media would be out of business. No money is made in media by promoting ideas and values. It is made by promoting fleeting fashion and mores. The media promotes the Lady Gagas, Madonnas, Amy Winehouses, Sex Pistols, Sara Silvermans, Justin Biebers, the hip-hoppers. Television program line-ups include series that promote alternative lifestyles (e.g., *Friends*, *Modern Family*, *Will & Grace*) and politically correct fantasies (*Charlie's Angels*, *Dr. Quinn*, *Medicine Woman*, *Ghost Whisperer*, *Joan of Arcadia*, *True Blood*). Like the entire economy, the media is going through faster cycles of capital movement. It flourishes on transitory, not enduring, values.

Now let us consider the impact of media-made fantasy on real life. Chances that football players will end up affected by spectrum disorders (Alzheimer's, Parkinson's, PTSD, etc.) are nineteen times higher than those of the population

70 Nadin, Mihai. *The Civilization of Illiteracy*. Dresden: Dresden UP, 1997. Web. See, among other websites: <http://www.gutenberg.org/ebooks/2481>

at large, the majority of whom are football fans. The media did not discover football. It only turned it into part of the profit-making machine. Chronic traumatic encephalopathy—the result of concussions—affects young and experienced players.⁷¹ The media is in denial over this. The media did not discover boxing, either, in which head, eye, and body injuries lead to irreversible damage and accelerated deterioration after middle age. *Dementia pugilistica* sounds much better than having to live with it, even if you are the celebrated champion of years gone by. The media did not discover ice hockey or other high-risk sports that maim and even kill. But the media sells them anyway. It set a threshold of excitement reminiscent of the gladiatorial combats in Rome and of tribal sacrifices. This is where the insensitivities of Abu Ghraib and desecration are born and nurtured. This is where disposing of babies in garbage cans starts, where rape originates, and where gang violence finds inspiration.

Desensitized to pain, suffering, and agonizing death, the public is conditioned into stupidity. The stupid does not care about anyone else, and even worse, like addicts, wants more of the most terrible spectacles. America protects animals. Dogfights, cockfights, and other cruel animal fights are not acceptable. But for some reason, cruelty to human beings is tolerated—and stimulated. Let's admit it, even well-paid Black football players and boxers remain in a condition similar to that of slaves in the Roman Empire, allowed to risk their lives to entertain the mobs and enrich their owners.

No one can deny that success is a matter of talent, luck, and hard work. To be successful is the highest expectation in America-the-Economy. The surreal condition of celebrity life encourages expectations. Luxury is a mild qualifier for the palaces that the stars inhabit, the private jets, and the servants to meet every want. Stars are the new idols. They feel entitled to these privileges, and their fanatic followers do not begrudge them. Shallow idolatry has replaced any deeper-reaching thought about the value and meaning of life. The priests of this idolatry themselves expect to be subjects of the cult. Think about the anchors on national networks, the talk-show hosts, the false prophets of the snobbish print media.

They never tire of demagoguery. To the poor living in subhuman conditions, they preach virtues they themselves do not have, or shed long ago. They tell the average, the young, the single mother that we all need to watch our carbon

71 Some players commit suicide due to injuries sustained during their careers. The most notorious incident involved Jovan Belcher, who, after shooting his girlfriend, drove to the football stadium and shot himself in front of his coach and the general manager.

footprint: Look at Tom Hanks driving an electric car. Listen to the songs of Bruce Springsteen about clean energy. Read Cate Blanchett on the subject of the green economy. Leonardo di Caprio, Cameron Diaz, Robert Redford, and Julia Louis-Dreyfus can afford to pay publicists to add the virtue of environmentalism to their glory. Just like politicians, the objects of media attention preach one thing and practice the opposite. Someone on a weblog once suggested that such celebrities try living in an \$85,000, three-bedroom house in Detroit, and then preach self-restraint.

The new aristocracy of sports, of journalists chasing the chimera of fame and money, and of the arts—the players, the singers, the dancers, the actors, the gamers, etc.—varies little the aristocracy that was denounced (and renounced) before the American Revolution. The American Revolution was not just a war against the privileges of the British monarchy, but also included social action suggestive of class warfare: the poor revolted as the rich got richer at their expense. The idea that such a revolt might happen again in America should not be excluded.

In the context of the American Revolution, there were cases of the poor attacking the theaters attended by the wealthy.⁷² Although eventually discarded, a clause that echoes to our days was debated during the Convention of 1776:

*That an enormous Proportion of Property vested in a few individuals is dangerous to the rights, and destructive of the Common Happiness, of Mankind, and therefore every State hath a Right by its Laws to discourage the Possession of such Property.*⁷³

It is too bad that this clause was not adopted, although its adoption would not necessarily have circumvented the problem. After all, the amendment regarding non-establishment of religion did not prevent the USA from making Christmas a national holiday (under Ulysses S. Grant, 1870), or presidents asking God for help in fulfilling their obligations.

Celebrities and their offspring are the new royalty, courted by politicians for their money. They are great contributors to political campaigns. Their access to the masses is valuable, since the masses, conditioned by the media, are all

72 Raphael, Ray. *A People's History of the American Revolution: How Common People Shaped the Fight for Independence*. New York: New Press, 2001. Print.

73 Rosswurm, Steven. *Arms, Country and Class: The Philadelphia Militia and the "Lower Sort" during the American Revolution, 1775-1783*. New Brunswick: Rutgers University Press, 1989. Print.

willing to follow—no questions asked. Name a cause, stars give it status: the Dalai Lama, AIDS, female “circumcision,” homosexual “marriage,” the starving in Africa, the Kabbalah, climate change, destruction of tropical forests. And in the meanwhile, as their preaching of sustainability gets louder, their private jets, limousines, yachts, and immense palaces translate as “Do as I say, not as I do.” What is good for the overpaid goose is not good for the gander, transfixed in new forms of idol worship. Will this happy state of trance last? The media hopes so. This is its source of power and wealth.

It’s Expensive to Be a Sucker

In America-the-Economy, the cult of celebrity highlights the sad state of citizenship. This condition is a consequence of the American system. Like members of the political class, celebrities are more equal than others. Furthermore, the consumer takes precedence over the citizen. In the republic of entertainment, Americans vote with their income for the success of the idols. The vote goes to mediocrity at a scale impossible to defend. All the stadiums built with public money and secured by the public investment in police against outbreaks of violence are by now vast machines for more idiocy in action than ever. Watch the fans making spectacles of themselves. Watch them taking on attitudes that would be less pitiful if we could laugh at them instead of being frightened by how low human beings can sink. Watch the commercial events called the Super Bowl, or the Orange Bowl, or the Stanley Cup. They are marketplaces for more of the same old thing—even though the performers are risking their lives. The playing style is a good excuse for yet another competition for eyeballs and the lowest instincts: to laugh at the guy who is too dumb to understand that breaking bones and destroying the brain will not improve his physical condition or his mind. Is there any difference between the Super Bowl and the Oscars? The Grammys? *American Idol*? *America’s Got Talent*? This is marketing on a global scale.

The stupid guy is expected to stay glued to monitors for as long as possible to watch the never-ending circus: pornography, child pornography, voyeurism, innuendo, crime, wars, the drama of world markets, Nobel and Bank of Sweden laureates, and bailouts. It is a non-stop performance for the suckers. At the end of it all, the brain is empty, the stomach full of everything that the never-ending diet prohibits: potato chips, TV dinners, beer, vodka, wine, marijuana, cocaine, and methamphetamines. These are the consequences of surrendering to mindless media. It amounts to wasting life under the illusion of enjoying it. Viewers become desensitized; their own cruelty is stimulated. No one can satisfy his increasing need for more of the same, or worse.

Speculation in Engineered “Truths”

Industrial capitalism was able to output mass production; so did the media associated with its structure. Books and magazines were printed on presses and widely distributed; operas were staged in opera houses (“machines for operas”) and “consumed” primarily in live performance. As were theater performances. Film and television production were disassociated from film and television viewing. Sports were performed in the stadium; and even if transmitted (via radio and later via television), they had their specific audiences and packaging. In post-industrial capitalism, media integrates the assemblage of information, its comprehensive indexing, and individualized advertisements. Databases and intelligent procedures turn everything into a never-ending auction. The public bids with its attention—on American idols, friends, movies, messages, with every selection made.

The word-dominated press of the past is slowly being dumped in favor of an extremely rich variety of communication means that are dominated by images. But technology has changed more than the means of delivery. Most important is the change in the way people live and interact. Indeed, media integrated the delivery of information with the making of this information, and the “making” of its readers and viewers. Be this a “political event,” a natural disaster, a technological breakdown, a concert, a sports event—whatever the occurrence, the media shapes it. Moreover, the media watches over its own public perception. The trend is toward ownership of everything: media, its packaging, the channels, reception, even the receiver. Profit motivates media, as it motivates the makers of medicine, new seeds, airplanes, and movies, as well as those who outsource their production to places where labor is cheap. Under these circumstances, morality, supposed to correlate with truth, gives way to expediency, correlating instead with profit.

In an ideal world, news media (press, TV, film, Web-based outlets, etc.) would focus on presenting facts. It is debatable whether this idealistic image ever worked—the public has always been manipulated, but it is a reference in respect to which the meaning of “freedom of speech” must be considered. The originators of the messages are supposed to be free in presenting political aspects as they are, or as they understand them. Interpretation in the form of opinions, editorials, commentaries, and letters to the editor found protection under the same cloak of freedom. Mixing the message—what happened, who, when, where, and how—and interpretation—what it means—seems unavoidable. The Constitution guarantees freedom, including the freedom

of being biased. Politically or otherwise, everyone is biased. We see what we want to see. It is even less possible to distinguish between what happened—subject to reporting—and what media caused to happen, in reality or in some of its fictions: polls never conducted, for instance. Science has no problem in acknowledging that to observe is to change the observed. Media, while practicing its influence on reality, would not accept blame, or take credit, for how it has produced events in support of a viewpoint—or for how it created not only couch potatoes, but also an indentured public.

Parties hijacked political life in transactional America and turned it into an economic activity. Media, working for or against parties, stopped associating itself with the truth—whatever “truth” means—or with facts, and opted for the profit associated with interpreting facts. The media now believes it is entitled to *make facts* and to engineer reality.

One cannot dispute the fact that the press played a role in the making of America-the-Economy. What is not as clear is the role it played in the making of Americans, in particular in promoting citizenry. It often uncovered what the political system was hiding—whether related to the behavior of politicians, to political shenanigans, to less-than-democratic policies, to abuse of power, etc. It also uncovered economic malfeasance, aberrant social behavior, and inadequacies in all walks of life. In the past, the news media have documented the civil rights movement, the Vietnam War, the 9/11 attacks and their consequences for the nation, the current recession, Hurricane Katrina, the BP oil spill, and many other events. It took courage and professionalism to do so when this many forces opposing presentation of the facts brought their influence to bear. In doing so, the American media built upon principles embodied in the system of checks and balances. It found ways to use the foundational principles of the republic to the benefit of its credibility. In the process, however, it turned progressively from being a critical observer to becoming participant in the profitable equation of power. There is little money in observing; there is a lot more money in affecting the outcome of the economic process.

Several examples stand out. Let us examine one: the wars that took place in the former Yugoslavia (in Bosnia-Herzegovina, and in Kosovo). Americans are blindly in love with the myth of independence and self-determination of peoples. Knowing this, the media fed the right kind of stories to the public. Christian Serbians, and occasionally Croatians, became the villains, torturing the Albanians, who—so the media fabrication went—only wanted to live as

a peaceful minority. The NATO bombing of Serbia was thus justified, indeed, practically sanctified, through media coverage. The public apparently forgot *Wag the Dog* (1997), a movie about engineering reality, which, believe it or not, describes an uprising in Albania engineered to distract the public from political shenanigans during a presidential campaign.

Elsewhere, the press, television, radio commentators, and new media pundits supported the wars in Afghanistan and Iraq, and even the deceptive justifications generated by half-brained politicians and bellicose generals. The media celebrated the “Arab Spring,” and America’s (unconstitutional) pursuit of the war in Libya. The days of dictators were supposed to become history as freedom and successful democracy took over. Not even the media could deliver a happy ending to the stories they spun.

Does the Media Make People Stupid?

A simple question begs attention: Does excessive information affect reasoning? The inability to think independently, to make value judgments, and to select from an ever-increasing number of choices defines various aspects of stupidity. In an economy of scarcity and slow cycles of change (characteristic of agriculture), independent thinking was a condition for survival. America came into being during a time when, and in a place where, self-motivation was a necessary, but not a sufficient condition for success. Solidarity was a pragmatic necessity. The colonists brought with them skills that had to be adapted to a new context of existence. It took determination to succeed against the odds, until freedom, including the freedom to pursue opportunities, bore fruit. The trades developed; after the Revolution, industry set foot in the land. In the process, more information was acquired, and exchanged. Gradually, it became the commodity it is today. An ever-expanding legal basis for information exchange was established.

With this understanding in mind, we realize that the dynamics of media multiplication, corresponding to information accumulation and dissemination, corresponds also to the rapidly expanding dynamics of human activity. As long as literacy informed the types of work that dominated the industrial economy, the word—oral or written—was the main means of communication. When industrial capitalism entered the post-industrial age—after World War II—the visual (pictorial) progressively came to the forefront; that is, the image (sketch, illustration, photograph, animation) transmitted information and opinion more efficiently.

Television, the Internet, cellular telephony and other forms of digital media (such as smartphones, which are essentially mobile computers), in association with the press and the radio, constitute an entirely new communication environment. These constitute not only new means of communication, but also of interaction. Most importantly, the media asserted itself as a new dimension of social life. It acquired a status comparable to the productive economy. Information is that economy's "raw material." But in addition to messages, media "engineers" an increasing number of forms of human interaction.

Americans of our time don't suffer from lack of information, but rather from a confusing overabundance of it. Information supplants ability. The media no longer presents choices, but—for the majority of the population—makes them. By way of analogy: the difference between knowing how to prepare canned soup or frozen pizza and the ability to cook a soup or make a pizza from scratch is indicative of knowledge and skills. The difference between being fed with information already interpreted for you, and acquiring it independently—not to mention understanding it, and its consequences for what people do—is indicative of a human condition of deepening dependence. For this reason, stupidity is congenial with creating the artificial world of infinite information (right or wrong, true or false), and delivering its interpretation—congenial, that is, with manipulation through media.

Were people less stupid during the time media was, at best, a printed sheet reporting on events of common concern? And was that minimal attempt to communicate genuinely informative (i.e., did it ever intend to manipulate its small readership)? One need not idealize the past in order to answer in the affirmative. The nature of human relations was such that communication *brought people together*; otherwise, survival was doubtful, if at all possible.

Are Americans today stupid because vicious article writers, television hosts, or talk-show personalities are trying to take them hostage? Of course not. Conditions of life have changed. America remained more or less faithful to her marriage to the free market prince, who can never be wrong and never fails. It aligned itself with what is needed for success in a faster world. To stay atop of the world—which was the nation's goal from the start—it had to remain more efficient than all its competitors. In the economy of slow cycles, there was time to reflect, and even the need to do so. In post-industrial capitalism, profits are made on account of low-priced raw materials, cheap labor, and automation (which embodies knowledge). The overhead of thinking independently, reflecting, and making choices was reduced to the extent that performance

was disconnected from the expectation of reward. Expectations were met on the basis of higher productivity, and at the expense of the rest of the world.

In the USA, the superpower of post-industrial capitalism, access to prosperity became an entitlement. Media, itself a product of this development, became the instrument of choice in the process. Its own performance was subject to automation—the algorithmic selection of events and generation of news is only one example of the process. This is a systemic development: the value of the individual as an individual is reduced; the value of consumers, living beyond their means, is increased. Without excessive consumption—statistics document that 80 percent of what Americans acquire is of marginal (if any) use—the economic engine would stop. Thus, stupidity is not the result of some dark plot—by media pundits, corrupt politicians, the rich, or other groups—but a necessary outcome of the people’s desire to obtain more and more at the lowest price. In the process, they sell themselves on the cheap.

With this broader understanding in mind, it will be easier to follow some examples of how the process takes place. Opinion media—radio talk shows where the public can call in (after being carefully screened), and television news panels—claims to provide insight to current affairs. These broadcasts are more popularity contests than impartial presentation of events. Each host, each program agenda (ultra-conservative, conservative, liberal, and a few over-the-top liberal) has its audience. Birds of a feather tune in faithfully to assure themselves that they are not alone in their beliefs. They will not bother to listen to the full spectrum of facts and opinions. In 2011, Fairleigh-Dickinson University completed a study revealing that those who watched a certain television channel (it could have been any one of them), especially its news programs, came out knowing less (about politics) than people who never watch such shows. The sponsors of such programs know they have a captive audience—an audience of whoever believes that show’s host will swallow anything! Even public radio—in its effort to get financial support from the banking industry—often aired an ad that says, “When banks compete, you win!” In truth, after 2008, Americans learned that in the competition among banks, which is fierce, the public lost, and lost big. On other stations, you can hear the hosts arguing for higher standards of ethics—“Good Americans pay their fair share”—and then selling services that contradict ethics: starting an Internet business (details never provided); diet programs and nutrition supplements (health risks never even mentioned); services for people who are over their heads in credit card debt, or did not pay their taxes (both requiring

a minimum delinquency of \$10,000). Listeners hear the enthusiastic voices of tax wizards (or impersonators) claiming to have worked for the IRS who will help them cheat the government.

The media is often driven by partisan politics. The public's stupidity is addressed at a visceral level in campaigns against socialism, liberalism, or alternatively, against free enterprise without regulation, against conservatism. Information is dispensed generously, since it is inconsequential; the ability to think independently curbed by means of mass intimidation. One example among many is a frequently aired message: "The country will break down if everyone gets medical care!" As a matter of fact, neither France nor Germany, neither Denmark nor Switzerland nor the Netherlands—not even Canada—all providing quality medical care to their citizens, has broken down. Poll results are massaged, in the same way as political messages are, to accommodate the feeble mind—or to make more minds give up thinking.

The stupid, so easy to attract to the left or the right, do not want to be challenged; they wish to be confirmed. Echo chambers on the go! This is the media game, cynically played by the right, center, and left, by crooks, impersonators, celebrities, and the vicious contributors of anonymous opinions (frequently paid ghostwriters). Take the numbers of listeners, to whichever channel, and you get a map of how many want to be confirmed: as defenders of "gun rights and gung-ho capitalism, as free-thinkers or as staunch conservatives, as nationalists or globalists, as supporters of the war against terrorism, or extenders of the olive branch to the Muslim world—whatever the issues of the day might be.

It was no different when the enemy was called *communism*. Then, the enemy declared, "We will deliver the rope for capitalism to hang itself." (It did not happen.) Today the enemy says, "America will go up in flames, for which we deliver the oil," and they actually do. The media gladly takes any message, the cheapest and most profitable having priority. Blogs and comments to blogs document a painful state of stupidity (and illiteracy). The language of "public contributions," under the protection of anonymity, is very similar to that of the Abu Ghraib "heroes." It all looks so democratic; in reality, it is, at best, idiotic. No crowd is ultimately wiser than the most stupid member. (Condorcet elaborated mathematical proof of this point in the context of the French Revolution, when he was murdered despite his valuable contributions to science.) This is a truth America does not want to hear. Instead of idealizing

the wisdom of the crowds—media’s best alibi—we should try to understand how an uninformed, ignorant, illiterate crowd never returns any significant knowledge—not to politicians, governing on the basis of fabricated polls, and not to the economy.

The radio talk-show hosts, the editors, the artists, the singers, and the intellectuals, embedded in the media are not conspiring against Americans, or taking advantage of them. They do not care about some abstract patriotic, national, cultural, or political shared set of values, unless there is profit to be made. They care for their share of the market. They are willing to dispense their brand of information, and they do not feel responsible for the decline of their public’s ability to make better choices: the dumber the audience, the better. You could not sell to any sensible person the garbage that the American media dumps on its captive audiences. Stupidity spreads through the echo-chamber relation.

Political correctness, which also undermines ability, brought stupidity to new heights. You can say, “When banks compete...” but not “When banks plot new ways for stealing money from you...” You can say that ex-IRS officers will help those who avoided paying their fair share of taxes to reduce their obligation. You cannot say, “If you pay us well”—this is why only those with more than \$10,000 in debt can apply—“we’ll take care of you,” or, “No guarantee of success, of course!” You can broadcast, “Father runs over daughter,” but you cannot say, “Iraqi Muslim mowed down his daughter (age 20) because she was too westernized.” The mind-control police of the media make sure that all our thoughts are politically correct, and aligned with economic considerations. (Ever heard a critical remark about the king of Saudi Arabia?) Information is reshaped, actions are controlled, and value judgments are made on behalf of others. And so it goes, in the style of “Newspeak” (in Orwell’s 1984): “toxic assets” become “legacy assets”; “killing” in combat is referred to as “taking out”; and “wars” are called “overseas contingency operations”; being shot down by your allies or fellow-Americans is referred to as dying by “friendly fire.” “Debt reduction” stands for “limiting spending growth”; and “Senate in session” means that someone pounds the gavel two times in a row. If this game of semantics actually reduced the numbers of victims of the banking industry debacle, or of people killed in war, or of government’s shameless waste of taxpayer money, Americans could live with it. If semantics turned make-it-sound-good political correctness into make-reality-be-good, nobody would object. But all it does is change the label. Lying is protected as “freedom of expression.” In practice, this means that the media seeks out the idiots who

want to hear different words because that makes them feel better. Shielded lying thus transforms political correctness into a mechanism for yielding higher profits. Under fascism, PC was practiced as a matter of conviction; under communism, as an ideological cause. In America-the-Economy, it is practiced because it promises a better return.

End Note

Several decades ago, when punk and rap music were gaining popularity among the younger generation of the stupid population, Tipper Gore had the courage to petition the recording industry to stop producing songs whose lyrics were full of profanity, vulgarity, and which encouraged violence and drug use, or at least to put a rating on the packaging, similar to movie ratings. The recording industry raked her over the coals—there is no other way to describe how she was excoriated for “attacking the freedom guaranteed by the Constitution.” Under such pressure—and no doubt cognizant of her (then) husband’s political goals at the time—it is no wonder she caved in. (She claimed to have realized the importance of freedom of expression.) Concerned, responsible parents were the main losers. The recording industry won big. Did the youngsters buying and playing these records realize what they had lost (in addition to their sense of hearing)? How their judgment was perverted? How they were set up to accept the low standards of today’s media? Over all these years, violence and drug use have increased; sensitivity to the suffering of others has decreased.

Dog Wars reproduces, in game format, everything it takes to get dogs to maul and kill each other, including injecting dogs with steroids, restricting water and food, and training on attack bait. This cruelty is not denounced or condemned, but shifted to the virtual, where blood is only a digital formula. Similarly, sexual abuse, brutality, wars, and addictions are transferred to the virtual domain. Expanding into games, the media continues to debase the public and to generate stupidity. Soon, it seems, everything will be “media.” Americans will watch others work for them, think for them, make babies for them, bury their aging (alive or dead), and report on their own slow, but irreversible decay. It does not have to be so, but it will only be different if Americans decide that they want to stop the self-destructive whirl, which—because, above all else, they wanted to have a good time—they willingly got sucked into.

NO BUSINESS LIKE LAW BUSINESS

In their oath, lawyers declare: I solemnly swear to support, obey, and defend the Constitution and the laws. Sounds good. It leads Americans to hope that equality before the law is not only declared, but also made possible through the officers of the court system. The prevalent understanding of equality is straightforward: each individual, regardless of economic and social status, and regardless of any identifier—gender, race, sexual orientation, educational level, etc.—is to be treated the same under the law.

The law is the backbone of the republic. Respect for law guarantees its stability. Ergo, anything less than equal access to law—i.e., to justice—entails inadequacies that cannot be ignored. Consequently, “Are you stupid?” questions whether Americans notice or care that, effectively, they are not equal under the law. Moreover, it questions why they don’t do anything to remedy the situation.

Lawyers, probably the most powerful segment of the population of the USA (if not the world) will not let these remarks go unchallenged. There are almost 1.5 million practicing lawyers in America; the proportion of lawyers to the total workforce has more than doubled since 1970. Their average annual income is around \$180,000. Although lawyers make up one-half of one percent of the population, their representation as employees in government, as executives in corporate America, and as the *de facto* “owners” of political parties amounts to over 50 percent. Control of the judiciary is, naturally, 100 percent theirs. It is therefore no exaggeration to define the USA as an *attornocracy*: a nation ruled by attorneys. Alexander Hamilton and Thomas Jefferson were among the first to call the Supreme Court a “court oligarchy,” but they were not the last to focus on the power it has assumed and exercises.⁷⁴

This is not to say that we do not need lawyers. Not to be downplayed is the fact that, “The United States has the highest homicide rate of any affluent democracy—nearly four times that of France and the United Kingdom, and

⁷⁴ Bork, Robert H. “Our Judicial Oligarchy,” *First Things* 67 (November 1996): 21-24.

six times that of Germany.”⁷⁵ America has the highest population percentage in jail (incidentally, an actual number close to the number of lawyers). This is part of the business model associated with the power structure suggested by the word “attornocracy.” Of course, these facts are no explanation for why America has so many lawyers. Quite to the contrary: the political system, firmly in the hands of lawyers, does not stimulate respect for the law or confidence in the people who enforce it.

“In the Same Hands”

The USA came into existence as an attornocracy governing America-the-Economy. The role lawyers played in defining how the states would be united, and the legal grounds for establishing this unity are part of the narrative of the attornocracy. From 1780 to 1930, two-thirds of the senators and one-half of the members of the House of Representatives were lawyers. It would take a book (or several) to detail how they turned the American republic into what the USA is today.

The various aspects of power acquisition by those called upon (or self-appointed) to ensure the legal coherence of the USA are significant not only for their role in the past. The ever-more frequent exercise of judicial power in adjudicating election results is indicative of who continues to hold the power to decide. Even those who might, against the evidence, defend the reputation of America’s officers of the court—where lawyers override the choices of voters—will probably agree. No merger or acquisition of consequential economic impact takes place without the blessing of corporate lawyers. In turn, other lawyers, guarding against violation of the so-called anti-trust provisions, for example, sanction these procedures. No issue of economic consequence—abortion, race relations, integration, inheritance, the right to bear arms, the authority to confiscate private property for the sake of economic development, class action suits of all kinds, and many others—escapes the involvement of lawyers. Sometimes those individuals are disguised as judges, some as regulation experts, others are members of the state or federal government. Some are civil liberties activists; some are union leaders. The guardians of the law lay claim to a vast, and expanding, litigation and regulation territory that includes bailouts, medical-negligence suits, drug-related liabilities, aberrant student behavior, burning the nation’s flag, desecrating books and cemeteries, water-boarding, intellectual property, wetlands management, spite fences, and

75 Lepore, Jill. “Why is American History so Murderous?” *The New Yorker* 9 November 2009: 79-83.

circumcision. Nobody can name all the issues over which they have purview—they keep multiplying. While during the beginnings of the American republic the example of the French Revolution raised the threat of the mob majority, the increasing jurisdiction of the lawyers has made minority terror reign in America. Attornocracy has undermined democracy almost as much as plutocracy—from which it is sometimes indistinguishable. When hedge funds invest in class-action lawsuits, it becomes crystal clear that profit, not justice, is at stake.

Centuries-old jokes about lawyers still make us laugh. Remarks about them—that might discourage an honest young soul from pursuing a law degree—are available online and elsewhere in abundance. The hard skin that lawyers have developed seems to render them immune to public opprobrium, and to demonize them yet again will not take us farther than where the public already is. Americans—those who are not yet lawyers—are highly suspicious of them. They are viewed as ambulance chasers and troublemakers, not to be trusted even (or especially) in their guise as politicians. Only 16 percent of Americans trust the legal system, and even fewer trust lawyers. A letter from a lawyer rarely carries good news. Guilty or not, one must prepare oneself for expenses usually as absurd as what prompts legal action in the first place. “A litigator can come around, dump a pile of papers on your front lawn, and you can go literally broke trying to respond to it.”⁷⁶ This description is no exaggeration.

The courts—including the Supreme Court—were involved in deciding the winner of the contested 2000 presidential election.⁷⁷ They are involved in races for Congress, in state and local elections (including the election of judges). The courts have been called upon (by lawyers, of course) to make decisions relating to the legal rights of prisoners in the war against terrorism, in sentences for criminals convicted of child rape, in class action suits. Given the partisan nature of Supreme Court decisions, its judges (“The Supremes”) are held in no higher regard than are lawyers themselves. The branches of government, all in the hands of lawyers or counselors, enjoy the same disapprobation: the public sees them as being in the hands of big business, and believes that individual rights and social well-being are sacrificed for the sake of profit.

76 Olson, Walter K. *The Rule of Lawyers: How the New Litigation Elite Threatens America's Rule of Law*. New York: St. Martins Press, 2003. Print.

77 In the Bush vs. Gore presidential election of 2000, the popular vote was so close in the state of Florida that Gore insisted on a recount. The case eventually reached the Supreme Court; its ruling assured that Bush indeed received the state's electoral votes. For more information, see http://en.wikipedia.org/wiki/Bush_v._Gore

Within the representative republic, the executive, the legislative, and the judicial branches were intended to keep each other in check and to maintain an appropriate balance. No one expected to see the republic become an attorneyocracy. Today, however, attorneys effectively control the three branches of the federal government. Because each of the three branches employs a large number of lawyers, lawyers oversee lawyers. The foxes guard the henhouse. Have they, as participants in formulating amendments to the Constitution, misunderstood the meaning of the “separation of powers”? It seems they have decided to ignore James Madison’s comment: “The accumulation of all powers, legislative, executive, and judiciary, in the same hands, whether of one, a few, or many, and whether hereditary, self- appointed, or elective, may justly be pronounced the very definition of tyranny,” (On Tyranny, Federalist Paper #47).

Lawyers Never Lose

Some facts belonging to the history of the judiciary need to inform us as we look at a promising project gone awry. Regarding the Supreme Court, the Framers never even suggested a judicial supremacy (just as they never suggested an executive supremacy). A focus on treaties and ambassadors—functions absent from the regular agenda today—transpired from the discussions they carried on. The Constitutional Convention left Congress to decide the size and composition of the Supreme Court.

By no means was the Supreme Court originally conceived as an arbiter on matters of interpreting the Constitution: this practice first appeared after 1801, as the principle of judicial review in the Marshall Court. Members of the Supreme Court were appointed by the president, with the “advice and consent” of the Senate (itself not democratically elected). The Constitution stated that the members of the court would receive compensation. The Constitution states that justices will keep their positions “during good behavior,” but as time went by, this evolved into life tenure. Only extreme misdeeds could affect it. The rules of tenure corresponded to circumstances of life and work based on expectations of permanency: few laws were necessary, and they were intended to be viable forever. Life expectancy was one-half of what it is in our time. Therefore, incompetence, or lack of understanding new circumstances of life, was not specified as reason for dismissal.

Political parties and party affiliation were not on the Constitutional Convention’s agenda. Therefore, it is quite probable that the Constitution’s Framers adhered to the principle that administration of justice should be

independent of politics. They would not have imagined a time when one of the main concerns in electing a president would be his or her Constitutional assignment to appoint members to the judiciary. Even less would they have envisioned a time—our own time—of flagrant politicization of the Supreme Court itself. The political profile of the clerks, those lawyers who contribute decisively to the drafting of opinions, reflects that of the legislature. Opinions to the effect that a “super legislature” of clerks was effectively created, mirroring the political composition of the Congress, are no longer surprising.

The United States of America—the union of the original thirteen colonies—emerged as an entity different from all the European countries from which the colonists came (the vast majority from England). The focus was to establish a framework for successful future activities, not to preserve an inherited permanence. The legal framework for commerce was far more important than political activism. Many of the Framers were lawyers themselves, or were guided by lawyers working for them. They took charge of the Constitution, in effect establishing their power in society. The USA came into existence while a lawyerly elite projected a privileged position for itself into the Constitution. Indeed, if anyone in the USA is effectively above and beyond the law, it is the lawyer (notwithstanding exceptional spectacular criminal cases against extremely corrupt and venal lawyers). They act as defendant, accuser, and judge. Surgeons who botch (or even slightly underperform) an operation pay for their errors or incompetence (mainly to lawyers). So do dentists; and, for that matter, builders, policemen and women, mechanics—everyone but lawyers. They can initiate frivolous cases; they can fail in representing clients because they did not prepare properly; they can trigger cases of extreme impact, leading even to the closing of businesses or to the destruction of an individual. Lawyers never lose. And if you ever ask one of them if this is true, you will learn that they are proud of it. It is an infallibility they themselves forced upon society.

Somelawyers might argue that their own self-monitoring bodies (the American Bar Association or the American Association for Justice) keep them in check. Disbarment for professional misconduct is minimally attempted—0.07 percent on average. Lawyers caught up in extortion schemes, trafficking, malfeasance, and enriching themselves through the misery of others are rarely denounced. As they concoct better schemes for going where the money is, lawyers play the lawsuit lottery, in the hope that their opponents won't outsmart them. The victims of bungled surgery, of smoking, of Vioxx, of whistleblowing, of abusive labor practices end up compensated well below their losses. Knowing

that pharmaceutical companies have more money than the national mint, lawyers will take on cases relating to drugs—some much less dangerous than they make them out to be. Lawyers get rich on fat contingency fees, in addition to reimbursement of their expenses. They make themselves the watchdogs of everything; the law is overtly made according to the lawyers' rules. When no crime is committed, lawyers make a crime even out of innocuous actions. In a famous class action lawsuit against Sprint, a major telecommunications corporation, claims reached to billions of dollars. It took five years of expensive legal action before an end was reached. Each customer taking part in the suit wound up receiving either a four-dollar credit on the phone bill or a ten-dollar credit for long distance calls. Lawyers cashed the rest.

Married to the Past

This is not an issue of individuals being rotten to the core; lawyers are neither worse nor better than the rest of society. Hard-working lawyers dedicated to justice have offered services *pro bono*; others have devoted themselves to helping persons in need in the USA and abroad. But when all is said and done, not even the most altruistic among them fares better in terms of goals pursued and values affirmed. Crusading lawyers—defending, for example, the rights of victims of abuse by American corporations operating with no respect for the environment and the humans inhabiting it—are no less part of the law business than are their less charitable colleagues. Getting an oil company to acknowledge damage it caused in the Ecuadorean Amazon sounds like a worthy cause. Expecting to cash in 200 million dollars in the reward for fighting such a just cause might not sound like much considering the stakes were as high as 30 billion dollars. But it is a lot of money in comparison to what the lawyers set aside for the victims.⁷⁸

Be the financial figures as they may, this is not a matter of a lawyer's character. It is a systemic condition. Its roots are in the religiously advocated free market system. In the making of America, the lawyers hijacked the political dimension of society and subordinated it to economic considerations. The legal system operates under the pressure of economic interests, not as a result of civic concerns. Lawyers make laws, in profoundly abstruse language, which other lawyers implement, while yet other lawyers observe the process. It is an American phenomenon just like America-the-Economy. Instead of being an independent foundation for freedom, the legal system has become the basis for the self-interest of all those subscribing to the industrial capitalist model.

78 Keefe, Patrick Radden. "Reversal of Fortune." *The New Yorker* 29 January 2012: 38-49. Print.

Generally speaking, the line “We are not better (or worse) than the French, the Germans, or the Thais,” can be argued in regard to the American legal system. But there is no similar state of affairs in the judicial system of any other country. For example: while Americans make up less than five percent of the world’s population, lawyers in the USA make up 70 percent of all lawyers in the world. Legal procedures cost more than in any other country. To satisfy trial lawyers who are gaming the system for personal gain is expensive. The “litigation tax” means how much money each American winds up paying for the legal system: it was estimated at 835 billion dollars in 2007; it has reached the trillion-dollar benchmark since then (almost seven percent of the GDP). The civil justice system represents about 300 billion dollars a year, or almost two percent of America’s GDP. No other country in the world pays so much for the illusion of justice.

Lawyers exercise their powers diligently, usually in the background. As a result of the legalistic mindset pursued since the Revolution, America became home to the most litigious people on the face of the earth. Within the broader context of America, litigation is one of the most effective ways to maintain a state of generic competition: succeeding at the expense of someone else. Change itself is the outcome of conflicting forces. It comes about as the owners of wealth pursue a course of action meant to increase that wealth. Lawyers offer a broad spectrum of services: consulting, representation, and litigation. Throughout the history of the American economy, they have contributed to the dynamics of capital growth. In this sense, the inescapable economic law of the acceleration of the movement of capital is executed by lawyers, even if they are not aware of it. Through their litigation, lawyers contribute to the ever-increasing movement of capital. Only moving capital contributes to the growth of profit. The role of the legal system in this management comes about regardless of whether lawyers do it knowingly or unknowingly.

America did not invent capitalism. Some Americans even opposed it. But when it reached the North American continent, America was prepared for it because free markets were part of its definition as an economic union. Free markets are conducive to the free movement of capital. The mobility of capital corresponds to market dynamics. Innovation—“creative destruction”⁷⁹—stimulates competition, which is the heart of the capitalist system. The faster capital moves, the higher the return on investing it. Laws pertinent to what is

79 Joseph Schumpeter, adapted “creative destruction” from Marxist economic theory in his book *Capitalism, Socialism and Democracy* (1942). *Destructive creation* is a play on his concept and refers to innovation that is more destructive than creative.

acceptable and what is not, in terms of capital mobility, are meant to maintain the so-called level playing field and to thereby preserve the American Dream. New circumstances, such as those prompted by innovation, require new laws. The acceleration of capital movement is what keeps the capitalist engine going. Lawyers are the engineers of the innovation machine, pressing the pedal to meet the metal. Keeping all engines revved up is a technical and managerial task. It is also a legal challenge: what is acceptable and how far a business can go in the war called competition. In this sense, lawyers ultimately established themselves as the watchdogs of competition. And if there is not enough of it, they stimulate it. Monopolist America emerged under the supervision of lawyers, and to their benefit. Antagonism translated into “the big fish swallowing the small”—with all the new ideas (start-ups) being bought by big players with deep pockets. This is also known as concentration of capital.

While the obsession with litigation is “made in the USA,” the country’s judicial system is not. Many of its strengths, as well as many of its inherent weaknesses, go back to the British judicial system, which was in place in the colonies when the Constitution was elaborated. The judicial process currently in place reflects the centralized, hierarchic structure of industrial society. The higher the court (up to the Supreme Court), the higher the authority. If the economy had preserved this structure, it would have failed. Re-engineering contributed to decentralized activity and distributed modes of operation. America-the-Economy rides the waves of globality, while its legal system, in the hands of lawyers, is still married to the past. Based in this past, Americans are faced with absurd laws—some going back to the beginning of time in the USA—rendered literally powerless because of the prohibitive cost of implementation. It would take an off-the-shelf artificial intelligence system to properly adjudicate the vast majority of litigations if lawyers did not keep society under their arbitrary control. In post-industrial capitalism, the machine called justice appears as obsolete as does the steam engine compared to the digital engine.

One example (from among many): In the educational system, teachers give in to the pressure to join the union. One would suspect that teachers do this because they want someone to represent them in bargaining for a better salary and benefits; or in obtaining access to means for improving their skills. The real motive is that teachers rely on the union’s lawyers for protection. Those who no longer performed, or who engaged in destructive behaviors (e.g., engaging students in sexual activity, dispensing drugs to students) cannot be dismissed!

Union lawyers are good watchdogs. If their children attended public schools (and most do not), those teachers would have been fired without recourse.

Law Is Lucrative

Not all lawyers are captive to the past, or defenders of it. Some discovered more promising territories for their expansion. They are beyond the industrial capitalism model of judiciary activity. Why let only the hedge fund managers speculate, when legal matters can be just as lucrative based on the risk assumed? This is the transactional practice of lawyering in post-industrial capitalism.

In these contexts, justice ceases to be the focus. It is replaced by calculations of the return on the investment: Does it really pay to sue? Is a lawsuit a good investment? The legal system deals in risk mitigation, just like hedge funds and derivative speculation do. Many clients discover this as they try to find resolution to inequities, abuse, and damage incurred. Indeed, if the damage is not by some orders of magnitude higher than what the lawyer expects to be paid, plus court-related expenses, there is no case to be argued. Equality before the law is rendered impossible. However, when the enticing contingency fee is brought into discussion, millions in compensation are demanded, and adjudicated. Since 80 percent of the population cannot afford representation, the record of made-up cases, of schemes construed to milk businesses, blossoms. The lawsuit involving a woman who scalded herself with hot water at a McDonald's became a classic example. According to the press, which reported on the lawsuit, the entrepreneurial lawyer took the bulk of the settlement. A dry cleaner misplaced a lawyer's pair of pants; the client sued for 54 million dollars. From this amount, representative of how lawyers conceive of justice, \$500,000 was for "mental suffering, inconvenience, and discomfort." The defendants, honest, hard-working immigrants, accumulated over \$100,000 in legal fees. Ultimately, they had to give up their hard-earned business.

Entertaining such and similar exorbitant cases, the workings of American courts have become notoriously surreal. The whole world wants to win a prize in the American lottery called justice. This is why, regardless of what occurred (a cruise ship that hit rocks near the shore because the travellers want to see the coast close up, or a case of food poisoning in an African restaurant), there will be a law office that will make the case for a lawsuit in the USA. Lawyers are catching up with post-industrial global capitalism.

Anecdotal evidence of abuses of the legal system would fill volumes. Important here is the speculative dimension. Once meant to defend the individual and

society from arbitrariness and frivolity, the American legal system does exactly the opposite. An alternative to the American Dream has arisen: you can now become rich by suing someone, no matter who it is (including parents, partners, children, lovers, doctors, universities, the police, etc. etc.), or by investing in someone else's lawsuit. The post-industrial era features an increasing popularity of legal speculation, because for those who invest in any kind of new venture—including legal cases—the faster money moves, the higher the profits.

The global economy is at work in the legal system, too. The American Dream has been adopted by foreign nationals—obviously advised by American lawyers, with their own inclination toward globalism. The small town lawyer is now connected to any possible profitable litigation, no matter where it is taking place. He or she will bring it to the court of his or her choice, where he or she can call the shots.

Bringing Down the Antelope

If all such cases were exceptions, the only question to be answered would be: What would it take to fix it? The reality faced by the Americans, and for that matter by all who come in contact with the American legal system, is that the system is characterized by abuse. The Framers were hoping for citizens of high moral standards. These citizens would defend liberties acquired in fighting oppression and injustice. In retrospect, the hope proves to be at best naive. It is exactly the lawyers, of all people, who have bartered liberty for profit.

Famous tort cases document the perversion of legality. Asbestos litigation, lawsuits against the tobacco industry, the "slab cases" (insurance company liabilities related to natural disasters), various medical and drug-related cases, the lead-based paint cases form a small sample of litigation better known to the public because of the accompanying notoriety. These suits turned out to be investments by lawyers against the calculated expectation of returns higher than those possible in the stock market, real estate, or even gambling. Lawyers engineered legal procedures on sophisticated computer systems, instead of investing in the fight against injustice. This is a new dimension of lawyering, and it is of extreme consequence to the viability of the legal system in America.

The lobbyists of trial lawyers are on an ongoing campaign to expand litigation possibilities. They are willing, and able, to pay for laws to protect their economic interests. Lawyers are big contributors to political parties and

the campaign coffers of members of Congress—when they themselves are not major political players. During the debate over medical care legislation, lawyers forced the provision that any state imposing a ceiling on a medical lawsuit would be subject to penalties.

Lawyers are also good at saving the politicians they want to influence from any effort by submitting their own formulations for laws. They know the “language.” The economic stimulus package contained a provision for expanding class action suits to medical records. Another bill eliminates arbitration between consumers and creditors, replacing it with the more lucrative trial before a court. There is a vast documentation of such cases.

Laws are amended to accommodate the hiring of lawyers and their methods for gathering evidence. Lawyers have even gone as far as to find “convenient” victims: people who never thought of themselves as such are paid to undergo medical examinations that might qualify them to join real victims in class action suits. Lawyers “fish” for such clients via the Internet; it is much more efficient than “snail” mail. The number of those whose lives were affected by smoking, by exposure to asbestos, or by taking a certain medications were mixed up in the shaker of class action (very much like good and bad loans were mixed together and sold as mortgage debt securities). Doctors joined in the scheme: they submitted their diagnoses against high fees, or they simply sold their signatures. Class action lawsuits became money-printing machines. It is a lucrative investment of lawyers’ time to look for more investors—sometimes involving, in addition to doctors, members of state government, judges, and other lawyers. In the land of the free, you are stupid if you don’t take advantage of the stupidity of others.

The notorious case of Dickie Scruggs is representative of the lawsuit industry: “He [Scruggs] did not join the Big Pharma frenzy. He prefers only primary kills. ‘I don’t want to get there after the antelope has been brought down.’”⁸⁰ The reports on this case stated, “Scruggs began to formulate his own brand of litigation, entrepreneurial and highly speculative.” The law was only part of the process. His “three-legged stool” scheme involved the manipulation of politics, public opinion, and the law. Legal pressure was exercised not from Washington or New York, where the “big boys” play the economics of law, but from Pascagoula, Mississippi. Here the lawyer owned the court (and the town, and the county).

80 Boyer, Peter J. “The Bribe.” *The New Yorker* 19 May 2008. Web. http://www.newyorker.com/reporting/2008/05/19/080519fa_fact_boyer

The settlements with the tobacco industry and the asbestos industry with which Scruggs was involved reached the high hundreds of billions. They were a prelude to an even bigger case—in the making—against the insurance industry, after Hurricane Katrina devastated New Orleans. One can only imagine this case generalized across America: transactions leading to more transactions. Risk was monetized to nearly the scale at which hedge funds gave the American economy an almost deadly blow. That a greedy, unprincipled lawyer and some of his syndicate were eventually served justice (albeit mild) has not stopped others from pursuing their own entrepreneurial schemes.

In the lawsuits against the tobacco and asbestos industries, lawyers succeeded in reallocating capital. This is what financial speculators claim to do. Lawyers never shy away from cleaning the sewers of capitalism, provided that they can get enough money to hold their noses. Capital freed from the obsolete is capital available for the next run for higher profits.

Sometimes, even this optimizing function is questionable. The “troll lawsuits”⁸¹ are nothing more than a scam for extortion. Intellectual Ventures is an invention factory established in Seattle by one of the founders of Microsoft. Its litigation patterns qualify it as the Goldman Sachs of the hedge fund speculators specialized in giving life to dead inventions (sub-prime mortgages in their own way).

Marshall, Texas has become the new Pascagoula, emerging as the world capital for bogus lawsuits based on alleged patent infringement. Stimulated by innovative counselors, companies bought patents on the cheap from inventors who would never have developed them. Afterwards, patent lawyers data-mined all possible applications that came close to these otherwise worthless patents.

Defense in a patent infringement case is very expensive, and many defendants opt for settlement, even when the accusation is unfounded. The result is that the accusers not only get money from the patent surrendered to them, but also license fees later on. These license fees are not related to any real use of the protected invention. All this comes about because there is a judge (T. John Ward, appointed by President Clinton) in a Texas town of 25,000 residents—and hundreds of lawyers who maintain a fake address there—where the patent lawsuit business is prospering.⁸²

81 Chicago Public Media, and Ira Glass. “When Patents Attack!” This American Life Episode 441. Prod. Chicago Public Media. 22 July 2011. Television.

82 Tsuru, Etsushi. “Patent Battle Royal.” *The Asahi Shimbun Globe*. 11 May 2009.

Victims Who Are Anything But

Were the witnesses questioned before the (in)famous Texan judge part of a plot? Were the victims whom Scruggs deposed—people exposed to asbestos, or smokers who believed the tobacco industry’s lies regarding the threat to health—part of his scheme? Were the persons deposed in troll lawsuits part of the scam? Probably not, even if they accepted payment for their testimony. However, the question “Are you stupid?” addressed to them, and to Americans in general in view of the legal scam industry, should not be avoided.

The legal system associated with the successful project called America-the-Economy functions to the benefit of those very few that are already enjoying higher profits. It does not take more than common sense to realize this. The ideal output of the legal system is justice. The real outcome is corruption, greed, and discrimination. This has led to growing suspicion of and alienation from the legal system, to the point where it is no surprise that only a small minority of Americans trusts the legal system. Seventy-six percent fear that frivolous lawsuits might affect their own lives. But don’t they ever look in the mirror? Whenever they give in to the temptation of a high payout from some frivolous lawsuit, they join the ranks of the culprits.

In today’s global economy, America has no difficulties in leading the way. Multinational companies are served by American law, as well as by the lawyers engaged in representing their own interests in expanding the global economy. There is an entirely new domain of legal aspects pertinent to the networked world. Outsourcing, beneficial taxation, and intellectual property exploitation are quite different from the profit-making methods of industrial capitalism. The transition from national states-based markets to the dynamics of capital at the global scale has resulted in the transition from making profits from products to making profits (higher and faster) from financial speculation. The role of legal minds in the Great Recession illustrates this change. Lawyers, in various functions, decided which bank or insurance company was too big to fail and which was not big enough to bail out. There was no hint of democracy in the process. In the climactic hours, lawyers created rules and excuses for actions otherwise subject to legal inquiry. And they had politicians, who were supposed to be representatives of the people, not of the financial institutions, implement their decisions. The Secretary of the Treasury was in dialog with the bank over which he formerly presided, arranging for massive bailout sums. Conflict of interest? Ethics? Forget it. Lawyers—like the Pope in the Middle Ages—can give dispensations, hoping that no one will sue them. During this period, they literally suspended democracy.

In the realm of trillions—the economy of big numbers—money smells like meat on a grill: Who can resist the temptation? This is not the petty crime of false deeds, contracts or wills; this is not frivolous lawyerly acrobatics, involving misappropriations of funds from the estates of the deceased. This is large-scale engineering of returns from moneys coming from the taxpayers. The latter chase after the mirage of unlimited consumption. They might not be angels, but they did create at least part of the prosperity in which they can only marginally partake. They have mortgaged their own confused future.

Global Legalism. Who Are the Winners?

Is America-the-Economy itself a good place for carrying on business in an environment of abusive legal activities, such as those described above? If indeed lawyers contribute to the faster movement of capital, and thus to ever greater profits, it would follow that the costs of satisfying the American obsession with litigation must be detrimental to the big picture. Businesses—small or large—bear the burden of all those costs associated with the tort system, and these costs are related to the movement of capital. Almost never does a legal action take place where there is no money, or where money already moves fast. No hedge funds were sued, even after it became apparent that some of their speculations were not necessarily to their clients' benefit.

Does the massive influence of lawyers on the American economy contribute to the competitive advantage of America, or does it discourage foreign investment? It must be pointed out that the USA is still the largest economy for foreign investment. In 2007, the amount invested was \$275 billion; in 2008, \$319 billion; in 2009, \$152 billion. However, since 1980, when the wave of legal activism began, investment actually decreased, and the legal system is probably the main reason for this decline.

Research (cf. Tillinghast Towers Perrin) shows that tort expenses increased very rapidly: in 1950, they amounted to \$13 billion nationally; by 2006, they had reached \$247 billion. Costs associated with various legal matters are double, even triple, such costs in Europe, and frequently they are many times higher than expenses in China, India, Bangladesh, or Mongolia, for example. As one banker (eventually appointed Treasury Secretary) stated, “[Our] legal system has gone beyond protection [of investors]. Simply put, the broken tort system is an Achilles heel. [...] This is not a political issue, it is a competitiveness issue and it must be addressed in a bipartisan fashion,”

(Henry Paulson). Legalism has not helped America-the-Economy as much as it helps lawyers to increase their wealth—and helps the rich and very rich in other sectors become even more so.

Fear of the Law: The New American Culture

Lawyers are active in the legislature. They engage more lawyers in the formulation of laws. Lawyers work in the executive. They make up the legal system, and they are in the service of yet other lawyers serving industry, financial enterprises, and as guardians of intellectual property. Focused on new means and methods for maximizing the profit of their particular endeavors, lawyers are a force to reckon with. No, there is no suggestion of diabolic plots or backroom secret meetings for taking over the world, even less a conspiracy of lawyers. Rather, this is the description of a deep-reaching development that shows how—unless the foundation is right—even the noblest intentions can have disturbing outcomes. Unless it addresses the problems of the legal system, America will continue to experience the costly consequences of good intentions gone to hell.

As America's most profitable services, lawsuits affect even those not directly involved in a court case. Towns are sued for people who drown in a lake or the ocean because they ignored common-sense rules, or because they were drunk or under the influence of drugs. Some towns prohibit sledding and bicycling because lawyers claim the authority to define freedom for others, not to defend it. Playgrounds, merry-go-rounds, and slides, which used to engage children in active play, are abandoned. The pervasive fear of being sued turned the USA from a place of shared freedom and liberties into a country of individuals paralyzed by legal paranoia—or obsessed with constraining others.

In this country, in which the Bill of Rights was supposed to effectively shape the character of the Americans as free and equal under the law, procedure overrides facts. A woman has a car accident. She manages to call her husband via cell phone before passing out. It would have been easy to locate her following the "trail of bread crumbs" left by the cell phone. Connections to the service providers are automatically stored in order to assure continuity of service. Due to restrictions imposed by the phone company, the police were unable to access those coordinates until they declared her husband under suspicion of trying to kill her. Although technology would have easily

helped in locating her, the data would not even be provided to an emergency rescue service. Lawyers find excuses to enable the government to track each citizen's phone calls and e-mails, but where immediate danger is obvious, they invoke privacy laws. Such hypocrisy has tragic consequences.

“Procedure,” obviously worked out in detail by lawyers, makes life in small towns, where live-and-let-live used to be the rule, increasingly difficult. Through lawyerly designed regulation, government spreads its tentacles into all segments of life. Individuals are free to think that they are free, but they are not. A frenzy of new procedures, a wild dance of paragraphs at work, turns the relation between you and the neighbor, teachers, doctors, manicurist, even to your own children, into a walk on eggshells—and into a date at court. Touching a child's fingers on the guitar or clarinet while teaching the instrument, or holding on to a child learning to swim carries the risk of a lawsuit. Eighty-two percent of teachers and seventy-seven percent of school principals state that schools practice “defensive teaching.” This should be understood to mean that teachers are instructed to do all it takes to avoid legal challenges. Add this to the legal activities of the teachers unions and it is no wonder that education has gone down the drain.

The same kinds of numbers apply to medical practitioners. It is extremely costly to practice “defensive healthcare,” and everyone pays for it. Eighty-three percent of Americans believe that the medical malpractice system must be part of any healthcare reform, but it will not be. Howard Dean, a physician himself and former chairman of the Democratic National Committee, explained bluntly: “tort reform is not in the bill because people who wrote it did not want to take on the trial lawyers.” Why not? Might it be that they are major contributors to political campaigns?

“Settlement by extortion” describes many of the huge payouts made by corporations. It is cheaper to settle than to spend years involved in a civil lawsuit, the outcome of which is uncertain—even if justice is on your side. Lawyers will create whatever obstacles they can, as their fee meters keep running and running. And they know that the defendants know this. Toyota was forced into such a settlement. A driver of a Prius, the icon of ecological know-how, complained about unintended acceleration while driving. The driver blamed Toyota for a dangerous defect. The “snowball” that started the legal avalanche was caught on tape by incompetent journalists. In short:

although the National Highway Traffic Safety Administration proved the allegation to be baseless, Toyota, the number one automobile manufacturer, settled with the American government to the tune of \$1.1 billion.⁸³ Extortion is defined as a victim's consent to an accusation out of fear of being harmed. Americans were happy to see a foreign competitor beaten. The lawyers got most of the money; the politicians got their share.⁸⁴

In the meanwhile, the public learned that the driver caused the problem he complained about. He was in financial trouble and thought he could extort money from a company with "deep pockets." He had no problem finding a law firm who recognized a chance to make big money. Years ago (in the 1980s), lawyers pulled off the same trick with the Audi 5000. For years, Audi disappeared from the American market.

The Price of Incompetence

When the Supreme Court decided that Americans have a right to possess and use guns, they made reference to the Second Amendment: "A well regulated militia, being necessary to the security of a free state, the right of the people to keep and bear Arms, shall not be infringed." Reading proficiency and a basic knowledge of history don't seem to characterize the Supremes. The premise is evident: People served in the citizen militia that provided "the security of a free state." In their capacity as members of the militia, they had the "right to bear Arms." That was when the USA was a loose confederation of states defended only by a militia. Today, militias no longer exist (at least, not legally). The US Armed Forces and the National Guard have rendered them obsolete. Police protect, for better or worse, public safety. Accordingly, the right to bear arms is no longer meaningful, regardless of how loud the minority screams, and independent of how much money the National Rifle Association (NRA) contributes to politicians. Those who are against the proliferation of firearms (the majority of Americans) argue that in the most armed nation on earth, crime remains a major threat, even though guns don't kill, but only their owners and users (never short of legal representation and misrepresentation) do.

It turns out that in almost each case of gun crime (with one victim or a mass of victims), the culprit is mind-altering medication. Amitriptyline, Thorazine, Ritalin, Anafamil, Effexor, even Prozac were all connected to the murderers.

83 Pollak, Joel B. "The Toyota Settlement: Bipartisan Extortion by Big Government and Class-Action Lawyers." *Breitbart News Network*. N.p., 27 December 2012. Web. <http://www.breitbart.com/Big-Government/2012/12/27/The-Toyota-Settlement-Extortion-by-Big-Government-and-Class-Action-Lawyers>

84 Wallace, Ed. "The Toyota Witch Hunt." *Bloomberg Businessweek*. 5 February 2010. Web. http://www.businessweek.com/lifestyle/content/feb2010/bw20100225_403524.htm

Some of these drugs identify “homicidal ideation” as a side effect.⁸⁵ But since the pharmaceutical companies involved settle these cases out of court, they can brag that they never lost a court battle.⁸⁶

“The right to bear Arms” argument is also made on behalf of the illusion of defending liberty, should the government take it away. What crock! Nobody has noticed the absurdity of this claim. The most lethal arms are in the hands of the military serving under the orders of the president. For reasons of pragmatics, however, let us not simply discard the right of well-trained individuals, hunters or not, to keep arms. What should happen with them? Was the Supreme Court not able to attach some legal obligation to this legal right—at least to require some insurance (liability, theft, damage)? Automobile drivers are required to have liability insurance; there is, after all, some risk attached to operating a vehicle. While there is a higher risk attached to owning and operating a gun, it seems that the officers of the court are not willing to confront political issues. But they are always prepared to take advantage of them.

It is not only character that comes up in discussing lawyers and the judiciary. Competence is critical. In the knowledge economy, the legal system relies on ignorance, even when it is writing regulations for what it doesn’t understand. There are Supreme Court judges who have never operated a computer; others who would shy away from a cell phone. And most, who live in a past of permanence, are simply not able to understand the implications of the new circumstances of work and life. To prohibit the shoot-and-kill video and computer games is, of course, not the answer to the general desensitization to crime. Nevertheless, to argue for the right of the big business of cruel games to make a profit—by referring to the cruelty of fairy tales that parents read to their children—is to broadcast your own stupidity. The written story, sentimental or gory, addresses cognitive processes totally different from those involved in playing computer games. To play is to shape neuronal configurations corresponding to action and improving it. The military does not recruit the youngsters whose parents read cruel stories to them. Instead, those recruited and sent into wars are the young who have acquired precise targeting and shooting skills while playing violent video games.

85 Citizens Committee on Human Rights International. “Another School Shooting, Another Psychiatric Drug? Federal Investigation Long Overdue.” Web. <http://www.cchrint.org/2012/07/20/the-aurora-colorado-tragedy-another-senseless-shooting-another-psychotropic-drug/>

86 Sboros, Marika. “Drugs cannot be ruled out in Sandy Hook massacre.” *Business Day Live*, 21 December 21 2012. Web. <http://za.news.yahoo.com/drugs-cannot-ruled-sandy-hook-massacre-050536322-finance.html>

The violence and lack of empathy characteristic of the younger generation will not be resolved by prohibiting such games. There are other causes waiting to be addressed. In the most competitive place on Earth, violence is endemic. Capitalism, industrial and post-industrial, is merciless. Let us at least be honest about it and not produce laughable arguments. A grandfather to 34 children—who is incidentally a Supreme Court justice—should know better. We should also note that the other Supremes did not distance themselves from an opinion that was founded outside the minimal competence expected from them.

The legal system considers digital property as nothing but property in the meaning that is familiar to them: the piece of land on which lawyers, clerks, and judges build a house and fence it; the acres worked by a farmer; the capital equipment of a company. In all courts, including those working in the patent process, the conflict between forces of yesteryear and those involved in shaping the future is difficult to miss. Dating back to the 15th century, legal patent protection—eventually anchored in the Constitution—was a major breakthrough.⁸⁷ Reflecting an understanding of long cycles of innovation and production characteristic of the 18th century, it protected them for a duration corresponding to those cycles. Unfortunately, protection was progressively extended, although the cycles of innovation and production became shorter. Many of the products purchased in the last 25 years are already forgotten (e.g., the video laser discs, cassette recording tapes, home video cassettes, and their respective equipment). But the patents for them are still valid, protecting the obsolete. Indeed, in our time, a different dynamic is at work. Nevertheless, incompetence is again revealed as patents are created for digital products that are more traps than inventions. Laws still protect intellectual rights within a medieval framework. Art and the artist, writers and filmmakers are judged as though nothing in their definition and condition has changed. Their productions are often short-lived experiences: tons of artifacts to be disposed, just like the refuse left over from excessive fireworks. But wait: the day will come when firework “artists” (as some like to call themselves) will seek protection for the work that has gone up in smoke. Since obsolete protection laws apply even to art intended to be transitory—happenings, event installations, Polaroid pictures, for example—no one should be surprised when the abuse will extend to the thousands of balloons used at political party conventions. After all, even the copyright to a picture taken by a monkey became a subject of legal dispute. And lawyers are looking into how to defend copyright for termites’ creative reshaping of homes.

87 Article I, Section 8

Tens of thousands of lawyers work for regulation authorities. Assuming that they have integrity does not mean assuming that they are dumb. These people were fully aware that credit default swaps and credit default options were risky forms of speculation. They themselves practice legal speculation, as part of the transaction economy. But no lawyer ever felt the obligation to bring up the enormous danger to the public that was presented by transactions that even the financiers executing them never fully understood. For the record: lawyers were behind some of the most spectacular success stories of the American economy. They were even more present in some of the most painful failures. The AIG collapse, the Western Telecomm and Enron debacles, the dot.com failures, and before that, the savings and loan crisis all are creations of lawyers.

Mopping up the messes that result from these debacles is yet another lucrative lawyerly task. Ask the Compensation Czar. This is a lawyer appointed by the federal government to do what politics should do: redress. His goal is to make victims of tragedies, such as the terrorist attacks of 9/11, hurricanes, oil spills, and excessive corporate remuneration give up the right to legal action in exchange for a swift settlement. That this actually means to forego political considerations for economic goals does not concern him. Evidently, in all such cases, the focus is on moving capital faster and faster in order to help the system restart the profit-making machinery. How profitable other people's misery can be! The real losers in these complicated schemes of legal and paralegal actions are the Americans. They were conditioned into stupidity by lawyers. They do not realize how easy it is to trade liberty for fast money.

The Answer Is Not in the Past

In the spirit of the Declaration of Independence and the Constitution, the judiciary should have made sure that all Americans are effectively equal under the law. Instead, they took it upon themselves to act as substitutes for the government's lack of dedication to the people. Where they believed that legislators disregarded the public good—concerning video games, asbestos, smoking, race relations, etc.—they produced remedies through the courts. *De facto*, they took over the power of those unable or unwilling to address political issues. A representative (known as vociferous in respect to causes close to his inclinations) initiates a lawsuit, to the tune of \$150,000, over a sandwich (a wrap that contained an olive pit) bought in the cafeteria in the House of Representatives. As an elected official, he sets an example for everyone who voted for him to do the same. Stupidity spreads fast, without much prodding.

Equal access to justice implies that there exists a legal system that does not become a moneymaking machine through excessive litigation. Under effective justice, America would not be the country with the highest percentage of people in jail, and with the highest number of crimes. Confused by mixed signals, such as the growing proliferation of guns and drugs, together with the growing economic criminality (like the Madoff schemes), the public draws a simple conclusion: enjoy life, even if it means disregarding the lives of others.

Americans do not respect the legal system, and don't feel responsible for it. Nobody wants to serve on jury duty. The thought behind a jury of one's peers was probably justified in the context of opposing England's unfair class system, but under today's circumstances of life and work, it is obsolete even in its assumptions. A jury of O.J. Simpson's peers would have been composed of football players and second-rate actors. Lawyers transformed the jury system into the opposite of what it was meant to be.

The history of the jury system is also telling. The 501 citizens (the *dikastai*) in ancient Greece were chosen by lot. They were supposed to be a random independent group. In Scandinavia, no lawyers, but "law men" make up *sui generis* juries. England, faithful to dynasties, made use of juries of peers so that "earls and barons" would face their equals and not some subjects lower on the social scale. The Constitution of the USA speaks of "impartial" juries, but what do lawyers, in a modern America that celebrates the wisdom of the crowds, focus on? They focus on the "winning" jury. They have devised methods for selecting juries in a manner that Mark Twain courageously described thus: "The jury system puts a ban upon intelligence and honesty, and a premium upon ignorance, stupidity, and perjury."⁸⁸

Lawyers build much-acclaimed cases against discrimination. But they themselves practice it with impunity in the jury selection process. In jury selection, profiling has been made into a science. Questions no employer, teacher, or doctor can ask serve as filters for selecting those who are literally the most stupid. Lawyers count on the short attention span of jury members. They are not allowed to take notes, and are prone to accept as true life the sensationalism that they experience daily through television, video games, and social media gossip. The technology of our age could easily produce the most accurate record of facts. This would replace fickle juries. It could also change the notion of trial from a staged performance to a dignified legal evaluation based on a scientific procedure. This would at least be less corruptible than the process in place today.

88 Twain, Mark. *Roughing It*. New York: Penguin Putnam, 1962.

A culture of legal paranoia and idiotic political correctness, imposed by lawyers, leads not just to stripping down a 95-year-old woman to her adult diaper by the TSA (“We need to have a look at your diapers”), but also to a decreasing impetus to engage Americans in the pursuit of justice. Eventually, Americans will have to retake the legal system and subject it to the rigors of checks and balances. “The root of America’s litigation problem is a simple issue of power. We first gave lawyers far more power than other countries and then provide less supervision of the way they use that power.”⁸⁹ Civilization is not more lawsuits, but more moral rectitude; not more focus on individual profit, but on participation in the shared good of a community.

The Framers could not foresee a time when the practice of lawyers and judges would be based on a partisan understanding of the law. They actually did not want political parties to intercede between the people and their representatives. While it would be illusory to even try to think politics or profit away from the courtroom, or, for that matter, from the government, it is not illusory to request that the law apply equally to the people, regardless of political affiliation, race, sex, economic status, and so many other distinctions: rich or poor, native or foreign, blind or sighted, and so on. The courts recently went so far as to request that money be printed so the blind can differentiate among bills. They often take it upon themselves to change the meaning of the word “family,” traditionally the nucleus of reproduction, in order to accommodate homosexuals. Indeed, everyone should oppose discrimination. But if this is a moral imperative, nobody should be discriminated against because they cannot afford a lawyer, or because their quest for justice is not lucrative.

Legal Fees

Lawyers, like everyone else, are free to choose a case, as they are free to initiate a case and to set fees as they see fit. What is not acceptable is that no matter what happens, within the current system they cannot lose. Everyone else can and does lose: an entrepreneur starting a bad business, or a venture capitalist not recognizing a lousy idea. Why should the law business be the exception? A losing lawyer, especially one who initiates a frivolous lawsuit, should stand for his or her act—not the client, but the lawyer, who under the current regime makes money no matter what the outcome for the client. And yes, cheaters should be brought to court. Those who knowingly ignore or even defy the law should be forced to work in a context in which the court will

89 Olson, Walter K. *The Rule of Lawyers: How the New Litigation Elite Threatens America’s Rule of Law*. New York: St. Martins Press 2003: p. 300.

not only remedy the situation they created, but also require them to pay for the lawsuit. State attorneys who prosecute cases on grounds that are at best shaky should be held personally liable. America still remembers (one hopes) the case of the lacrosse players from Duke University who were accused of rape. In order to ensure re-election of the state attorney, a racially loaded case was fabricated. This is an example of one of the most egregious cases, but it is not an exception. It makes no sense to have the taxpayers satisfy the trial lust of lawyers whose role is intended to protect them from lawbreakers. Just as doctors should be paid for maintaining health, lawyers should be paid for advising clients to remain within legal boundaries. Avoiding situations leading to litigation, proactively advising a just and efficient solution—this sounds like an illusion in a society in which lawyers are paid to advise how best to get around the law.

This presentation of the legal system in the USA is not an attack against lawyers or courts. Who would dare? If you've ever experienced the legal system in the USA, you will run away from it as though it were the plague. Even less is this argument directed against the role of laws. Some years ago, a vice president of the USA (also a lawyer) addressed the American Bar Association convention. He mounted a "blistering attack" on the legal profession. John Curtin, Jr., the association's outgoing president, commented, "Anyone who believes that a better day dawns when lawyers are eliminated bears the burden of explaining who will take their place."

Lawyers do not need to be eliminated. But a context does need to be created in which their function—which often takes them into the sewers of social life, among all kinds of criminals—takes on a new meaning. There must be a distinction between pursuing law and pursuing economic gain while misusing the law.

The immunity of lawyers and judges is not within the spirit of the principles governing the making of America. Too many times, people have spent their lives in jail because lawyers did not exercise the due diligence that would free the innocent. In some instances, they ignored evidence or discarded it. Occasionally, they manufactured evidence. When lawyers suspect that their clients are guilty, some will do all in their power not to find out for sure. They would go so far as to fight for their client's freedom at the expense of ruining someone else. This client-lawyer allegiance, while understandable, is unacceptable. Liberty cannot rely upon crime and injustice to which lawyers

become accomplices. Liberation from Britain was accompanied by harsh words: “the long train of abuses and usurpations”; “the design to reduce them under absolute despotism”; “the obstruction of the administration of justice.” Still, America practices the adversarial system of British law, with all its absurd rules that constitute a judiciary above the law. This is one aspect of England’s “soft colonization” of the USA, and of almost every other land belonging to its former empire. The litigious nature of Americans involves not only lawyers and litigants, but also investors providing capital for the functioning of the profit machine called “justice.” It is an expression of the establishment of America not as a country—a political entity belonging equally to all Americans—but as an economy, in which the law business, already subject to hedge fund speculation, grew too big to fail—and too powerful to be held accountable.

Other measures might bring up the need to re-evaluate the intentions of the Constitution’s Framers. They will become evident as Americans involve themselves in reinventing their homeland. The America that the Constitution failed to create—because being an economy was much more promising—expects to be finally discovered as a political entity. A Second Revolution involving everyone seeking authentic equality is also the path towards a justice system that works for the people, not only for the successors of those (mainly lawyers) who called themselves “We the People.”

WILL HARVARD GO BANKRUPT?

If indeed the seeds for the future are sown through education, the harvest America can expect to reap is not very promising. The production of mediocrity begins early and is at a record high. We are preparing students not for the future, but to carry what we've done. The dumbing-down of education is an outcome of the gamble against a future that might not have more in store than entitlements and high debt.

Faster cycles of change and higher speeds of developments correspond to expectations of efficiency in post-industrial capitalism. These, in turn, make the expectation of prosperity possible. The institution of education is affected by these conjoined expectations. Instead of promoting rigor, education stimulates instant gratification and unfettered consumption. Everyone who wants a degree gets one, if for no other reason than that the student paid for it. What type of work will be available to them—and to anyone in general—is a question no one likes to pose.

A Portrait in Failure

Twenty-first century America is now many generations away from the motivations that were the underpinnings of its original infatuation with schooling. The initial interest in education was based on religion (leading to the establishment of the Puritan and Congregationalist schools), but also on humanist views. The free elementary education promoted by the Common School reformers reflected their premises. Concerted efforts of family and teachers inspired the beginnings of the public education system. This “romantic” phase was often praised as an expression of understanding the importance of education for the future of the Union.

Over time, public education became a mixture of economic expediency and political opportunism. The industrial model of mass production became the model for education. In the age of machines, education was turned into a machine as well. It ended up as a state institution: costly, inefficient, and,

most significantly, incapable of adapting to change. A *Nation at Risk* (the 1983 report of the National Commission on Excellence in Education) was a wake-up call—albeit inconsequential in the final analysis. It correctly revealed an inventory of shortcomings; but it never addressed the structural inadequacies. It escaped the understanding of everyone involved that the USA had entered a fundamentally new framework of life and work. Thirty years later, the shortcomings of the republic—agonizing between centralism (more intense than ever) and decentralism—are fully reflected in the pitiful condition of the bureaucratized educational system.

Ultimately, taxpayers today entrust their children to a bureaucracy that knows only its own opportunistic interests. The system's "internees" (the children obligated to attend school), graduates, and even dropouts are, or soon will be, consumers—of fashion, drugs, gadgets, mediocre media, unhealthy food, cars, homes, travel, and other commodities—and warriors. The failed education system currently in place produces Americans who are educated in—and for—outmoded paradigms. It also certifies future incompetents, social parasites, and criminals. America spends more money on prisoners and school dropouts than on educating the young. Intellectually handicapped, functionally illiterate, without a sense of time or space, permanently frustrated, and, obviously, unhappy: this description aptly fits many pupils, as well as many teachers. Nothing corresponds to the expectations of these students—whether lofty, realistic, or mediocre. Fully surrounded by the hottest technology—no student lacks a cell phone (if not a smartphone), a game station and an Internet connection—they are just not prepared for the challenges of the new realities of life and work. The technology, more enjoyed than understood, often leads them to avoid reality. They expect chatting and gaming to become their major occupation. And it often does!

Americans have seen the images of students sleeping in class. Their excuse: "Our teachers are so boring." In most cases, the students in fact do not get enough sleep at night. They see students texting, smoking marijuana, or getting stoned in class. ("Why not? Teachers do it too. Some of them sell us drugs.") They have seen the shootings at Columbine (students are increasingly involved in acts of violence). All too common are reports (transmitted via cell phone) of oral sex performed by students in the presence of classmates, of teachers carrying on sexual relations with students, of schoolyard rapes (as the kids cheer on), gang fights, and terrible racist behavior.

Current statistics reveal that about 90 percent of jobs require some form of post-secondary education. This implies that a high school diploma is an expected minimum. For some jobs, school performance on a level corresponding to college admission standards is also useful; however, over 30 percent of students drop out of school as soon as their age allows. Almost 1.4 million pupils will not graduate. Most of the dropouts are Hispanics and Blacks; many are children from poor and very poor families, often on welfare. Poverty and the dissolution of the family, augmented by lack of education, lead to more poverty. Some decades ago, a dropout could still find low-paying jobs that guaranteed a consumption pattern consistent with an annual income of \$17,000 to \$18,000. This was just enough to pay for alcohol, cell phones, cheap fast food, imitation designer goods, television, and computer-game addiction. Today, dropouts just don't find jobs; they enlist in the military.

To Succeed or to Fail?

What does dropping out of school mean in the broader context, i.e., for the American economy? The loss to the economy at large, over the course of the lifetime of young people who dropped out of school in 2010, has been calculated at \$337 billion.⁹⁰ If education is understood as a stepping-stone to indiscriminate consumption—i.e., as a machine that makes consumers—purchasing power is an indicator. However, to consider the consequences in terms of higher tax receipts is ultimately deceiving. Infatuation with oneself to the detriment of everyone else (which defined idiocy in the Greek democracy of antiquity) would be a meaningful indicator, if it could be quantified.

The assessment of economic loss implies something more significant: This is what society will pay so that dropouts can enjoy American prosperity, without contributing to it. The future of America indeed depends on the quality of its people. When a scientist calculates that each dropout loses \$260,000 in potential income over a lifetime, and that the 13 million students who will drop out over the next decade will cause a loss of three trillion dollars in economic activity, the human aspect is entirely overlooked.

America-the-Economy counts dollars; calculations focus on profits not realized. Of course, the 45 percent of Hispanic students who will not graduate, and the almost 50 percent of Black students who will drop out will affect the competitive standing of the USA. Actuarial data tell us that these people will

90 Alliance for Excellent Education. "High School Dropouts in America." 15 September 2010. N.p., Web. http://www.all4ed.org/publication_material/fact_sheets/high_school_dropouts_america

live shorter lives; they will add to the growing number of teen parents whose children will rarely be better off than their parents. Such individuals are aware of very little outside their limited world: they think more about the last high, violence, killings, theft, and compulsive gambling and gaming. They know close to nothing about the Constitution, the USA, and the government. They know even less about science, art, culture, and health. Their diet is too often reduced to fast food and soda; most of them use drugs. Such persons abuse their partners, their children, and themselves. They get pregnant or else they impregnate someone in their social circle and then they disappear. For them, the USA is welfare, food stamps, unemployment, the TV set (always on), cell phones, Internet chat rooms, maybe a car, the police, court-appointed lawyers, jail. Or a stint in the military, where they continue in the same pattern. The lowest-achieving 25 percent of pupils are twenty times more likely to drop out of high school. They rarely take a course in life conducive to their betterment. The dropouts from low-income families follow the same pattern—at a 6:1 rate than their better-off peers.

The dropout's attitude is most telling: "I don't need school. I want to have a good time. The rest will work out. *They owe me.*" Racial bias and envy come into the calculation here. If young people with such attitudes eventually worry about the consequences, they assume that someone else will "take care" of them. That's how they are raised, even conditioned. Here is an example from real life: In 1992, a teacher at a Bronx high school that was considered dangerous (every day, students had to go through metal detectors upon entering the building) invited a friend, a native Nigerian, to speak to the class about life in his native country. (Most of the students were "African-Americans.") After the visitor's presentation, the very first question that a student asked was: What welfare benefits does the state provide? The class was truly shocked to hear the answer: "None. You have to work if you want to have money for food" and life's necessities.

It is more profitable to have welfare become a right for them. It is not considered support towards overcoming difficult times and bettering oneself, but rather a market opportunity. Welfare recipients will go out and spend. And if dropouts do strive, they look to what they find around them: football and basketball players, hip-hop stars and rap singers, who make millions. Drug dealers and gang leaders are, together with celebrities, their role models.

Success is also expressed in other numbers. A high school diploma promises an income only 50 percent higher than that of a dropout; an associate's degree,

double the income of a dropout; a Bachelor of Arts degree brings three times a dropout's income. Are these better-educated earners always better human beings? The educational levels of everyone involved in the subprime mortgage crisis, preceded by the huge bubble in housing prices, were characteristic of the American system. Some of the dropouts, with no jobs, and some of the PhDs, in the mirage of speculation, had different things at stake. The people who designed the get-rich-quick schemes were the sophisticated alumni of elite business schools. And the people who invented the super complex derivatives were the "brainiacs," the "quants," who were taught the "religion" of making profits. Clearly, remaining in school to be processed in the traditional industrial model of education did not make them better human beings. In many cases, without fully understanding, or caring, what they were doing, they performed the alchemy of turning "vapor" into wealth. It did not matter that this "magic" brought America to the brink of disaster. There is no place for patriotism in the miserable schools for the poor—or, for that matter, in global hedge fund speculation. *To teach children virtue when in real life no virtue is expected from them is to risk more complaints from them about school being boring.*

Numbers are important when they are associated with proper explanations of what they define. The number of college-educated people has doubled. But are they *better* educated? There is nothing to be gained from idealizing the rather "elitist" model of the past, when only a few could afford to pursue a doctoral degree. The "populist," "democratic," "participatory," "hand-holding" model of today's education promises more, but it is deceiving. Education in America is responsible for the failure of many, but it can take credit for the success of others. Its outcome is represented by the percentage of dropouts and successful speculators. But it is defined as well by those with impressive accomplishments in science, technology, medicine, farming, literature, and the arts. It is a mixed performance.

Will Schools Change?

The inadequacies of an education system that is based on the machine model are a handicap to everyone who does not fit the mold. Everyone who is different—and each one of us is different—is affected. The inadequacies of the system are also a handicap to everyone who is taught that performance—i.e., meeting the standard requirements—is the only thing that counts. Even the most vocal critics of today's education take note of the fact that passionate educators are trying to come up with alternatives to the public schools. This is not the place to evaluate the charter school movement, frequently supported by

visionary, successful business people.⁹¹ These thinkers realize that education must undergo a fundamental change. They are trying to raise standards to meet current exigencies. Most importantly, they are trying to impart values as well as knowledge to their students.

Despite many debates and various attempts to improve public school education, the most serious underlying problem is that those who make up the institution as such do not realize the nature of the fundamental change from industrial society to post-industrial society. Schools still address students as though they were living in the past. But the condition of the human being has changed—especially our cognitive make-up. Education plods along, filling children’s heads with information that will be of no use to them for their future. In some cases, students are far ahead of their teachers. They are comfortable in using computers and networking. In the higher grades and universities, they have a better understanding of the new sciences (genetics, robotics, nanotechnology) than their teachers do. The tenure system for teachers—once an important achievement—is no excuse for them to stop learning themselves. Nevertheless, many do.

An editorial in a leading newspaper describes the following situation: “Because of union power, California can’t fire teachers—even one who was found with pornography, pot and cocaine in school. California teachers are among the best paid in the country, while the schools are among the worst.”⁹² California is by no means an exception. The general decrease in competence and performance among teachers and students is inadvertently financed by taxpayers. Americans, allergic to the word “socialism,” don’t realize that public education is socialized education. This choice was made early in the history of colonial America for the majority, although it was opposed by the elitist private school model.

From kindergarten to grade twelve, each child in the USA will be involved in 14,000 hours of class time, at a cost of more than \$100,000 per child. Thanks to the growing bureaucracy of education, part of that money pays for non-class-related expenses. Although they are often aware of the bureaucratic overhead, parents and all other taxpayers have less and less of a say. Once upon a time, you could read that “[t]he child should be taught to consider his instructor ... superior to the parent [...] The vulgar impression that parents have a legal right to dictate to teachers is entirely erroneous.”⁹³ The verbiage changed—nobody

91 Strong, Michael, and John Mackey. *Be the Solution: How Entrepreneurs and Conscious Capitalists Can Solve All the Worlds Problems*. New York: Wiley, 2009.

92 Brooks, David. “The Bloody Crossroads.” *The New York Times*. 7 September 2009: N.p., Web.

93 Swett, John. 1860. See: <http://www.school-survival.net/quotes.php>

would use this kind of language today—but the attitude, expressed in the rules and regulations governing the relation between schools and parents, is the same. Parents, already less involved with their children, no longer bother to get involved. In the age of indulgence, love for their children means only to satisfy their desires for cars, fashionable clothes, cell phones, and computer games. And fun, endless fun. Instead of *actively and personally* contributing to their children's better education, quite a number of parents prefer to “bond” with them. Alienated in society, they themselves prefer playing the role of friend. “Helicopter parents” (so-called because they hover over their children day and night) are no better than negligent parents. Defending their child against the slightest criticism from teachers, they refuse to let the child learn, just as they themselves refuse to learn.

The sad truth, understood by almost everyone, is that only a small fraction of the student's intellect—high or low IQ—will be applied towards learning. Not so long ago, students, with their parents' active encouragement, were motivated to eventually become better earners. At that time, education was able to keep its promise of a better life in the American industrial-capitalist system. Today, American schools are by far better in making consumers. Defining students' intellectual and moral profile is a marginal priority—forget about stimulating creativity. The degree to which today's schools are integrated in the culture of consumption is worrisome. Socialized public education, like its private alternative, has become the school for generations willing to live on their parents' debt, before they start their own. In order to keep pace with their peers—whether with clothes, gadgets, cars, vacations, or drugs—they give their futures away. Immediacy overrides responsibility.

In addressing education, it is impossible to ignore the role and qualifications of teachers. In 2009, in Massachusetts—a state able and willing to support its school system—three quarters of the people taking the teacher's licensing exam failed the mathematics section. To generalize based on this example alone leads nowhere—just as it also leads to nowhere to claim that the sad state of public education is a matter of money. There are cases in which a school's football coach makes over \$170,000 per year.⁹⁴ Teachers earn three to four times the average salary in the USA. Better wages and benefits, however, will not increase their understanding of the time they live in. The educators of the teachers need to provide this understanding. But they themselves need to gain this understanding first.

94 “Has College Football Become a Campus Commodity?” *60 Minutes*. 18 November 2012. Television. <http://www.cbsnews.com/video/watch?id=50135410n>

The Magic of Legacy

The super-high league universities like Harvard, Yale, Stanford, and Princeton give out diplomas with a promise printed in invisible ink: You will succeed! But you cannot get a diploma if you can't get in, and not everyone gets in. One of the reasons that not everyone can be admitted to Harvard and similar universities is that they are not “members of the family.”

As the press has extensively reported, nearly every senior who has gone through the admissions mill can recount stories of peers with outstanding academic records—class valedictorians with stellar SATs and perfect GPAs—who were passed over by top colleges while others, with far more modest credentials, got the nod. Elite schools routinely “like” athletes, and they also like the children of celebrities, politicians, and even faculty members.⁹⁵ “Development cases,” whose wealthy parents offer hefty donations up front, and the offspring of alumni have priority. Parents of these “legacy” candidates contribute to university endowments after their children are admitted. Legacy preferences are the original sin of admissions; they compromise fair, merit-based standards.

Are these educational establishments exceptional? Of course! Some experts rank them among the best in the world. Check out their endowments. Check out how competitive they are: only eight percent of applicants are admitted. Check out the credentials of faculty members. The manner in which they recruit the minds that best match their expectations from all over the world explains part of the success: including Nobel laureates, women, minorities, young talent—everything it takes to keep the pattern of success going. These institutions are in the eye of the world. Kings and sultans, nobility, families with impressive wealth, but also talent (from China, India, Singapore) keep an eye on those universities. “Should we entrust our offspring to you? Should we send our talent in your direction?” Foundations and endowments also scrutinize them in order to make sure that their gifts reflect back on them in the most flattering way.

As magnets of talent, the universities brought the world's brightest to America. Economically, Harvard, Stanford, Princeton, Columbia, Yale, etc. are like any other enterprise: they are driven by the aim of self-perpetuation. To make money is only part of the drive. None of them would be willing to

95 Golden, Daniel. *The Price of Admission: How America's Ruling Class Buys Its Way into Elite Colleges—and Who Gets Left Outside the Gates*. New York: Three Rivers Press, 2006.

consider a future in which their pre-eminence could be questioned, or their purpose doubted.

Without donations, universities claim, they could not invest in high-quality faculty and facilities; that is, they could not remain competitive. Even more important from the standpoint of social justice, universities say they couldn't maintain need-blind admission policies—assuming they exist. These policies allow colleges to selectively admit students purely on academic grounds. They can offer financial aid to anyone unable to afford the roughly \$50,000 per year it costs (in tuition and living expenses) to attend a top-notch university these days. Social cosmetics, a bit of luck, and definitely a fair amount of effort after the preliminary ingredients are at work (e.g., racial integration, cultural diversity, gender balance) explain the exceptions. These measures fully confirm the premise that “You will succeed” is not even a choice: it is a mission.

The grounding of the university, i.e., its conceptual foundation, its functions, and its purpose cannot be considered independently of one another. The elite university still filters exceptional aptitude (intelligence or talent) and promotes selective socializing. All other universities have a seat for those who want one, or whose parents think their offspring want one. Even a superficial examination of universities as we know them today allows for the observation that their structure is almost the same as it was in the beginning of the university. (Incidentally, the same holds true for the military.) It has the same hierarchic model (inspired by the Catholic Church, and practiced in political life): a head (sometimes a fundraiser with a certain cachet, like Larry Summers after his short tenure as Treasury Secretary); a board (reputable persons, able to contribute—the word is open to interpretation); colleges and schools (reproducing the same structure); and, yes, “parishioners,” i.e., students in search of an identity (or belief), willing to be certified as such and to bear the word further. The god changed. It is the mighty economy (or the dollar, for those who want to oversimplify).

By the way, almost 25 percent of the student body majors in business. Their education has not helped them “to think outside the box.” That is, they are not taught how things should change for the better, but rather how the systems already in place (e.g., Keynesian models, investment schemes that make financiers rich) should be perfected. After all, the thinking goes, the Great Recession (starting 2008) was much “better”—i.e., less damaging, in that unemployment did not hit 25 percent—than the Great Depression.

The Commercialized University

Let us distinguish between criticism of the increasingly commercialized university and criticism of the *premise* of the commercialized university for its current success or failure. The structure described—hierarchical, centralized, sequential (i.e., all the prescribed steps towards graduation)—was adequate in the reality in which universities emerged, i.e., the Middle Ages. The post-industrial era corresponds to human endeavors freed from the constraints of hierarchy and centralism. Integration of efforts over large networks is a necessity. Parallelism replaced the old model of production lines (linear by their nature). All the activities, distributed throughout the world, converge in the production of sophisticated automobiles, airplanes, computers, and intelligent processes. The old university served as a model for the real world of yesteryear. The current university—whether with a historic campus or online, elite or state-run—tries to force the real world—that continues to change—to conform to its obsolete mode of operation.

Nobody can deny the role universities play in attracting young talent. But no one can ignore the fact that their commercialization has led to a practice of higher education that is neither higher—in terms of academic standards—nor education, but is rather vocational training. More often than not, colleges and universities are enterprises, offering the service of “credentializing.” Like all other enterprises that compete for their market share, they calculate the return on the investment. The obsession with the financial equation is such that no one can continue to refer to universities as “temples of knowledge” (as idealized as this description was), and even less as mere “socializing environments.” They are investment avenues and savvy marketing outlets. They need stars for success; they need coaches (especially for football and basketball), some who receive a salary of a million dollars (or several millions) that correspond to their ability to bring in the money; they need Nobel laureates, and they need lobbyists. Universities always need more funds, even though tuition increases exceed the rate of inflation. “Star” scholars and researchers are expensive. So is the cost of the favors universities buy from the rich and powerful through contributions to political parties. Indeed, Stanford, Harvard, and many others contribute to political campaigns, competing with Goldman Sachs, Google, Pfizer, lawyers, physicians, arms makers and dealers, the NRA, etc.

University endowments took a beating as they tried to play the same game that banks and businesses play. Because they got involved in risky operations and speculation, these endowments shrank by over 30 percent in 2008.

Surprise? To speculate in the billions of dollars on money donated to a not-for-profit organization is to a great extent the same as *de facto* becoming a for-profit company. Therefore, no one can expect the market to be soft on universities. Markets are merciless, regardless of what they deal in: guns, oil, or university endowments. In the autumn of 2008, when the financial crisis scared the nation, Harvard tried to sell off a chunk (\$1.5 billion worth) of its private equity portfolio. One money manager who was offered an opportunity (a bargain: 50 cents on the dollar) could not refrain from being blunt: "If you guys [Harvard's endowment managers] want to sell, I'm happy to rip your lungs out. If you are desperate, I'm a buyer."⁹⁶ This was an alumnus, showing how well the university taught him. But that scenario also demonstrates that universities are all part of the same economic system as other industries, in which profit is all that counts.

America is home to almost 6,000 institutions of higher education. Some are your typical not-for-profit colleges (the US Department of Education identifies almost 5,000); others are the new Internet-based operations, for-profit establishments, and hybrid enterprises. Thousands of intellectual property licenses and patents originate from these institutions. Start-up companies spring from their various schools and departments.

The accreditation process, developed as an independent quality-control mechanism, is supposed to legitimize the outcomes of these institutions (i.e., degrees conferred); however, in recent years, the outcome-based performance typical of trade schools has been adopted in accreditation. Too many classes are taught not by professors (accomplished or not), but by students who have not yet received any degree. Dependent on foreign demand, many programs in American colleges would be downsized, or even closed, were it not for students from India, Pakistan, the oil-rich Arab states, and China.

"Outcome-based performance," the new metric of such education, means nothing more than "How well are you satisfying the immediate demands of the corporations?" This is also the level at which research is conducted. The cheapest creative workforce is made up of students, all in search of opportunities to pay for their tuition and, if possible, for their entertainment. At the elite universities, graduate students are almost always fully funded; their post-doctoral work is even better funded. The economy knows that it is cheaper to pay for a young researcher than to cultivate your own researchers. Free of labor contracts and other regulations, conducted under the supervision of a faculty member, student research is profitable. The huge government defense

96 Munk, Nina. "Rich Harvard, Poor Harvard." *Vanity Fair*. 30 June 2009.

establishment learned how to play this game even better than industry. It dispenses public money, often under the pressure of elected officials or other members of the government, from budget allocation, for subjects on which no private company would risk its own capital. Were it not for the universities, eager to get contracts from the defense organizations, the huge bureaucracy would have little to show for the huge amount it costs to maintain it. Some members of academia are vociferous in denouncing military activities or, for that matter, Homeland Security. Still, academia remains eager to get some of the public money funding these organizations. It is duplicity, of course, extending into the moral relativism of the students. It also influences those young entrepreneurs, who, after graduation, chase after the same money, should they decide to play the start-up game.

We are teaching our students the art of making profit, of consumption, of securing prosperity through wars. The future of less available employment and work, of increasing demands, and of sustainability will require a different awareness of consumption. It will also require the realization that wars are not the answer to our own inadequacies. Such and similar understandings of the future do not appear as offerings in any curriculum.

Yes, in education, as in the economy, America socializes risk, and nobody objects. Should profit be generated, the entrepreneur, not society, reaps the reward. In college, many entrepreneurs have learned that they are “entitled” to receive public money in order to make personal profit.

In a recent attempt to build up more enthusiasm for federally supported research, the following remark was made (by a scientist who should know about it):

We took something that was a pretty big game changer, which is the iPad. (You could also consider the iPhone.) It's an amazing innovation. But if you look at every one of its components, the majority actually come [sic] from federally supported research.

The fact that the chips can be so small, to sensors [such as] the GPS—all of it comes from federally supported research. A lot of times, the research was just done to understand the physical world better. But at the end of the day, an innovative company like Apple can take these things and put them together into a really game-changing product.⁹⁷

97 Luis von Ahn, quoted in Thibodeau Q&A: “‘iPad deconstructed’ Forum Makes Case for Federal Research.” *Computerworld*. 22 September 2011. Web. http://www.computerworld.com/s/article/9220207/Q_A_IPad_deconstructed_forum_makes_case_for_federal_research

The scientist did not mention the following: The transactional capitalist sector will happily take the money from the public, but it will not share the profit with the public. Apple made a huge profit (one trillion dollars at some moment in time), and still wonders what to do with it. If an investor (venture capitalist, bank, corporation) had financed the development of the iPad (or many other “game-changing products”), it would ask for its share of profits. In a democracy, those who pay should not have lesser rights than those who own the capital, or the means of production. If a fair share of the profits had been returned, research would get more support, and so would universities and schools. To socialize risk and to capitalize profit is to undermine the democratic foundation of research and education.

Lower Criteria—And Getting Lower

Politicians and the educational bureaucracy brag that the USA has the best universities in the world. This might indeed be an accurate description of some. Yet a question lingers: How can this possibly occur in a context of deficient primary and secondary education that cannot deliver the students that universities would like to have? Given the manner in which American students, from kindergarten to high school, are educated, American universities and colleges should be half empty. Yet another puzzle: How is it possible that despite an inadequate educational system, an impressive outburst of creativity still makes America the enviable place to be? Isn't this still, despite its many shortcomings, the land of opportunity, attracting the most talented people from around the world? The most exciting research is still carried out here; Americans of all backgrounds produce rigorous scholarly work. Where would you encourage your children to get their university education if not in the USA?

Success is a relative qualifier. In sports, the fastest, the strongest (drugs not withstanding) enjoy success. In the economy, it is the most profitable business (even if profit is derived through questionable means). In higher education, the metrics of success is multidimensional. On one side are the graduates, who are supposed to be competent, ethical, creative, principled, dedicated, and responsible in all they do. Not all of them are geniuses, or winners, or even always happy. On the other side, the so-called objective side, are the numbers: of graduates, of well-employed graduates, of inventions and start-up businesses, of the value of research grants and other funding. A Bachelor of Arts or Sciences degree—as already mentioned—should lead to a yearly salary of well over \$50,000. Yet the unemployment rate for such graduates is

between two and five percent (still far lower than that of less qualified young adults). However, numbers tell only one side of the story. Inadequacies tend to hide behind the well-lit assessments of success.

The extension of opportunity is respectable. But the price must be acknowledged. Faced with the reality of progressively lower levels of elementary and secondary education, colleges took it upon themselves to compensate for what high schools do not deliver. There is no official record of the many children of immigrants astonished at how much more they know—of mathematics, physics, chemistry, geography, music—than their American classmates. In some ways, a Bachelor’s degree from a college in the USA is equivalent to a high school degree in Europe or Russia. An asylum seeker from Rwanda went on record, saying, “A C student from Rwanda will automatically be an A student here.” He taught French in public schools, and he found the standards of the schools he experienced to be very low.⁹⁸ Both private and public colleges and universities end up compensating for what high schools did not, or could not provide, and at costs that not everyone can pay.

Under the pressure of mandated racial integration, many important universities created colleges that accepted insufficiently prepared students in the hope of eventually mainstreaming them into the university at large. To encourage integration, money was made available from the states and from foundations. The watered-down pre-college education forced colleges to dilute their own standards. Moreover, many students drop out of university shortly after they are admitted. “Our education pipeline leaks badly. Of every 100 ninth graders, only 18 come out at the other end ten years later with a college degree.”⁹⁹ If dropouts from high school are a major issue of concern, the college dropout rate—students who do not get their degrees—is also disturbing.

“Mickey Mouse” courses, as they are called, have replaced serious academic offerings even in the most demanding disciplines (mathematics, physics, computer science). They provide neither style nor substance. Professors who do not want to be accomplices to dumbing-down are sometimes called snobs, racist, too old, or “not open to new offerings” (read: vocational courses). Students shun the courses of professors who actually require university-level

98 Suketu, Mehta. “The Asylum Seeker.” *The New Yorker* 1 August 2011: 32-37, p. 34. Print.

99 Tierney, Thomas J. “How Is American Higher Education Measuring Up? An Outsider’s Perspective.” National Center for Public Policy and Higher Education: www.highereducation.org/reports/hunt_tierney/tierney.shtml.

work. And so, young adults end up with degrees in, for example, multimedia design—a very important field in an economy dominated by communication. But for this, all they have to learn is Photoshop or PowerPoint—which they can actually do on their own. They become game experts after a course on dealing poker or craps. Over 100 Master’s degrees—awarded in such “domains” as leisure, avian medicine, the grid (smart electric meters is one specialization here), homeland security, even cybersecurity—testify to the transformation of degrees into job requirements. This is neither a joke nor an exaggeration. College diplomas and certificates are becoming prerequisites for joining the workforce (if you don’t like driving a taxi or waiting tables). In pursuing the goal of maximizing profit, the private economy transferred on-the-job training (which is very expensive) to the higher educational system.

Ninety-nine percent of America’s 113 million households own a refrigerator and a stove, and at least one television set (usually two or more). They own more than one car, and more than one cell phone—smartphone is the new standard—and, of course, a game playing station, usually the most recent. But over 50 percent of the population is functionally illiterate; almost 70 percent never open a book, never write a letter, and do not know how to add numbers.

As glorious as the major universities might be, they may as well be on another continent or on the moon when it comes to their impact on the level of civilization in the USA. In the absence of civilization, society experiences outbursts of racism, sexism, intolerance, thievery, charlatanism, and criminal activity. It is not the so-called low IQ that explains Abu Ghraib, or why some soldiers urinate over dead bodies. The Stupidity Quotient (SQ), which describes actions detrimental to those who commit them, and to everyone else, is probably connected to the lack of civilization, for which education, at all levels, is responsible. The IQ is no guarantee of character; but the SQ is guarantee of moral failure.

“As California goes, so goes the nation.” In the context of education, the specter of a California-type decline is frightening. Until the recent rise in tuition—32 percent—the major problems facing California were never discussed on university campuses. The subjects of student activism—gay marriage, a requirement that only fair-trade coffee to be served on campus, legalization of marijuana, decriminalization of child pornography, among many others—were injected from off campus. But they found a fertile environment among students lacking in proper education from their parents and a civic foundation for their studies. Students wanted more rights—all irrelevant to their

educations—not higher standards. They expected guaranteed employment, regardless of what they studied—genetics or square dancing. In California, more than in any other state, the economy and government are intertwined. Consequently, one might expect a form of social activism leading to a civic and professional education corresponding to the exigencies of our time. Instead, utopian slogans coming from way out in left field prevail. “Californians voted to tax themselves like libertarians” (i.e., in favor of minimal government) “and subsidize themselves like socialists”¹⁰⁰ (expecting everything from government). Yes, the students want to be paid for studying. The expected “Good try!” sticker from kindergarten and grade school should, in their opinion, morph into a check for college tuition. The diploma as a guarantee of a well-paying job should be a civil right. Ideally, these students believe, they would have no responsibilities, except to have a good time.

To generalize is risky. The role that Americans play in the democratic process has diminished. In the past few years, American college campuses, whether in California, New York, Massachusetts, or other states, were no longer the places where ideas are debated. Social and political causes motivate students and faculty only marginally. To intelligently discuss the values that defined America at its inception is considered a waste of time. The contributions of American intellectuals (left and right) since the 18th century are in the main ignored. The podium has been usurped by moral relativism, political correctness, and moneymaking strategies. To “occupy” something is much more exciting, and easier, than engaging in a purposeful attempt to change oneself, as a prerequisite for changing the world.

An Education for Freedom

The project called America was built according to the assumption that limited republican government structure would be supported by educated Americans. These individuals would, it was supposed, realize that freedom makes sense only if associated with a high degree of responsibility. John Adams warned, “The Constitution was made only for moral and religious people. It is wholly inadequate for the government of any other.”

Adams was not referring to anything like today’s transitory Jedi religion, or the “moral code” of identity theft. Without predicting the decay of the country he so much loved, and of the Americans to whom he was so devoted, he went on to state that only a virtuous people are capable of freedom. Only as nations become “corrupt and vicious,” do they have need for “masters.”

100 Brooks, David. “The Bloody Crossroads.” *New York Times*. 8 September 2009.

It is important to realize that America's current crisis—in society, politics, the economy—is to a large extent the result of an inadequate education system that “fails to develop native intelligence.”¹⁰¹ America, the superpower, is caught in the crossfire of its own demise while still celebrating its glory. The answer—better yet, the many answers—to this state of affairs will not come from self-flagellation or sermonizing. To blame the economic condition of educational institutions will not help either. Consumption cannot be wished away in a system that survives and prospers on the basis of consumer spending. This is the formula of capitalism, not to be vilified, but rather understood as a choice that America made as it transcended its beginnings. Consumption can be blamed; the ever-increasing expectations of abundance, including the abundance of entertainment deserve their own share of criticism. But this kind of censure will not result in a better understanding of the problems that America faces, and even less the role that education should be called to play if it is to help in the process of amelioration.

Nurturing Differences

America still has not committed itself to an educational system that does justice to all Americans. Nor can it do so in any meaningful way until Americans understand what education is. To provide a foundation for human interaction on the basis of shared values and a sense of mutual respect is only the first step. The second and far more important step is to allow for the development of talent.

To achieve this, education must first abandon the model of industrial processing, which pushes the students through the pipeline so that a homogenous product comes out at the end. The metaphor of a cannery applies: all students are filled with the same ingredients, at the same rate, regardless of their talents and aptitudes. After that, lids are snapped on and a label (the diplomas) applied (no expiration date).¹⁰² Every student is treated like the other—in the name of “equality.”

Since every human being is different, the necessary change in education is obvious: *differences ought to be nurtured*. Every person is creative, but each in a different way.¹⁰³ Americans will continue to require a common sense of right and wrong—this is the basis of civic education. But they cannot acquire

101 Barzun, Jacques. *The Forgotten Conditions of Teaching and Learning*. Ed. M. Philipson. Chicago: University of Chicago Press, 1991. Print.

102 Nadin, Mihai. *The Civilization of Illiteracy*. Dresden: Dresden University Press, 1998.

103 Nadin, Mihai. *Mind—Anticipation and Chaos*. Stuttgart: Belsler Verlag, 1991.

this kind of education by reading texts that make little sense today. Engaging students in a learning process that corresponds to the current context of life and work should be the goal. The 43 hours per week of socializing that a student spends on campus is almost ten times the number of hours (five, at last count) spent on study. Self-absorbed in their cell-phone communication, obsessively filling their time with instant messaging, chatting day and night on every new “social” [really?] medium, playing computer games until they have a heart attack, students use technology to indulge in the trivial. Technology should not direct education. Rather, the inverse should take place.

Education in America today faces a fundamental challenge: it must be emancipated from its industrial condition. As a machine for imparting no more and no less knowledge than what it takes to function acceptably within a capitalist economy, it failed. But this is the negative definition, what education should not be. Education is interaction, informed by social responsibility, with the aim of allowing individuals to find their paths in life, each according to his or her talents and inclinations. Education should give up reacting to breakdowns. It has to be proactive, precisely in order to assist society and individuals in mitigating risk. In the age of global mobility, fast change, and individualism, the focus can be only on distinctions, more precisely, on differences. An educational foundation starts with the goal of understanding difference not as a shortcoming to be fixed; rather, *difference as opportunity*.

Of course, for education to make this huge step from molding a homogeneous society to allowing for and nurturing differences, politics and policies would have to change as well.

Education has often engaged in political change, as it does in cultural, scientific, and technological innovation. Awareness of difference should effectively inform political activities and the formulation of social goals. The Constitution affirmed America as the land of the free because only freedom can keep the economic engine running. Freedom and equality do not require sameness. Men are different from women; Whites, Blacks, Browns, and Orientals are different as well, and individuals within the White, Black, Brown, or Oriental communities are also different. The same applies to gays—for some reason statistically prevalent among dancers, actors, fashion designers, and other artists.

It cannot be stated too many times: Education must build on differences and stop making uniformity its goal. We are equal, but—thank heaven—we are not the same. The source of energy is difference, not artificial sameness.

Today's university is already experiencing the consequences of living in the information society. Yet it still does not realize what the shift from industrial society to information society means. Think about it in terms of an analogy. A player (basketball, football, or hockey) needs to understand not only his own role, but also the role of his teammates. A mediocre player reacts; a good player is heading where the ball will be. It is a fascinating process, not reducible to how many computers the students use, how many online classes are available, how much the classes extend into the new networks (to be replaced by newer networks). *It is time for a new understanding of the kind of knowledge we need and how to acquire it.*

Another urgent concern is how to disseminate knowledge in forms that allow for further progress in knowledge acquisition and practical activity. It is safe to say that knowledge acquisition—in forms that will also change—and knowledge dissemination need to be related. This means new, multimedia “literacies,” i.e., ones that address all the senses. It also means effective multidisciplinary. So far, American universities have not positioned themselves for this change.

In the Footsteps of Others

Higher education must emancipate itself from the tutelage of bureaucracies. It has to resume the function of informing society about future opportunities, instead of playing catch-up once these opportunities have passed. Such a goal might sound like wishful thinking. But it is better to follow the imagination and be innovative than to run behind others who, as innovators, pursue bold ideas that might be ahead of their time. “He who follows in the footsteps of others leaves none of his own behind,” is a saying that universities would do well to adopt.

America created an economy of research. Since its inception, it was relatively disconnected from the rest of the world. To break dependence on the Old World, it had to be inventive. The universities of Europe built upon a tradition of inquiry in which experiment and theory were intertwined. Two of the Founding Fathers—Benjamin Franklin and Thomas Jefferson—were dedicated to science and its applications. They were researchers and inventors in their own right. The astronomer David Rittenhouse improved or invented navigation equipment and road and canal systems; Benjamin Rush was active in medicine; Charles Wilson Peale laid the foundation for the American tradition of disseminating knowledge about natural history to the public. Nevertheless, research does not make many inroads into the early educational system (public

or private) in the USA. As with Eli Whitney's inventions, research aligns with economic factors and affirms the American understanding of science as a major agent of change. The development of useful knowledge, protected by patent and copyright laws, was guaranteed when Washington signed such a bill into law on April 10, 1790. This consolidated America-the-Economy. The immigration of scientists, probably due to the freedom and opportunity that the USA offered, has continued since that time.

A time went by, universities discovered the relevance of research to their own goals. Teaching remained the focus of faculty activity until World War II. Within the industrial model, science had changed little since the 18th century. It afforded improvements, not a new perspective. Today, that relatively slow rhythm of change is inconceivable, but it explains why it took so long for universities to discover that they needed professors who were able to partake in change, not just to document it. Indeed, the substance of education is the knowledge acquired as more and better questions are posed. To provide an education that results in competent graduates, able to operate in a world reshaped by the most recent science, the faculty members themselves must be part of that science.

Europe's dominance in science ended with World War II. Leading scientists survived because they escaped Germany. Others realized that only America—the victor not affected by war's destruction—was in the position to encourage science and draw economic advantage from it. In today's extremely competitive world, the university gets better students if its faculty members are more successful. And they are more successful to the extent that they “pay” for their positions. Professors—ordinary or with endowed chairs—“pay” with research money from industry, from the military, from the government, or from the increasing number of foundations.

Is the return on the investment in research good enough? This return is primarily represented by the classes, seminars, and laboratories offered. It reflects upon the competence of teachers and students; it triggers more creativity. These are not easily quantifiable parameters. Easier, of course, is to quantify the impact of a particular research undertaking: How do we get a better outcome from a process? How do we save time, and energy? And so on. The accomplishments of American science are spectacular. Still, one cannot avoid wondering: Is the investment always justified? Does the research, as part of education's broader agenda, contribute to a better human being, or only to more prosperous consumers, obsessed only with their well-being?

If this question sounds like preaching or moralizing, it is because American science, in its quest for success, has given up any shade of self-doubt. The

awesome atomic bombs were the result of scientific research informed by a sense of urgency that even today is not fully understood. The threat from Nazi Germany and Japan prompted scientists to address society in respect to the dangers entailed in their own discoveries. But in our days, of infinitely more promising and at the same time more dangerous science, the broader questions of consequences are rarely, if ever, addressed. Universities deliver cheap qualified research work, and benefit from funding regardless of its source. *Science is consumed*. This science is embodied in the new post-industrial wars of remotely triggered weapons and intelligent carriers of deadly material (explosives, chemicals, microbes, etc.). Technology applied in entertainment—*Avatar* is only the most costly example—guarantees high combat performance. In the virtual world, this science partakes in the act of turning people's free time into the indulgent experiences of pornography, endless game playing, and chat room irrelevancy. On the other hand, the fact that the same science is also extremely useful in other contexts—e.g., neurosurgery, space exploration, synthesis of new materials—from which all Americans, and the world at large profit, cannot be ignored.

Scientific research creates impressive knowledge, but it can also increase stupidity. Science and technology make it possible for individuals to engage ever less human ability and skill in their lives and work. It is no tragedy that a calculator stores all the arithmetic, or that a spell-checking program contains all the spelling that one needs. These are new circumstances; this is the amazing context of the information society. There is a sense of tragedy in lives wasted only because science promises everyone an answer to all our failures and shortcomings. We are promised a pill to overcome obsessive eating, a vaccine to compensate for sexual excess, drugs to help us get higher grades. Add to this list games, virtual environments, and genetic manipulations. The emphasis is almost never on personal responsibility. In this sense, research and education that are disconnected from ethical considerations are well synchronized to support a sense of entitlement.

Science On the Cheap

Most disturbing of all the issues relating to research is the manner in which science is funded. Competition—the American force of blind change—is now, after being neutralized in classes (where everyone is the best) literally neutralized in science. Bureaucracies, never interested in anything besides their own agenda of permanence at any price, have overtaken a large segment of the research economy. In a top-down scheme, they disburse public money within the same framework of corruption and influence peddling that society

experiences on a larger scale. There are often good arguments for making more means available for scientific research. However, more money in the hands of bureaucrats tends towards more corruption—not necessarily better science. Once again, anecdotal evidence is no evidence. Many researchers suffered because of evaluations written by less than qualified peers (anonymous, of course). Not rarely, the reviewer will confess to knowing nothing (or close to nothing) about the subject, but a lot about procedure. Since an extremely large number of players enter the funding lottery, many attempts at getting support end up rejected for procedural shortcomings. Each new funding opportunity—usually with a political twist—comes with a predefined number of dollars attached to it. Therefore, lack of funds is the final excuse for eliminating competition. The game is played in the area of averages, where mediocrity flourishes, and where established avenues always win out over new directions. Peer review committees are notorious for being conservative, not politically, but in the science they promote. They follow in the footsteps of accepted science. Original ideas have no chance, unless they are garbed in “old clothes.” There are examples galore of grants that have been approved for outdated theories and procedures. Use the right words! The rest doesn’t count—as long as you have the right connections.

The press has reported on cases involving conflict of interest in which researchers, typically university professors, have been paid by industry to advance various agendas. Among the cases detailed were those involving funding for computer programs, medicine, pharmaceuticals, and climate research. Scientists working for the Food and Drug Administration (FDA) revealed that 20 percent of their number (6,000 at the time of the report) had been explicitly asked, by the politically appointed administrators, to provide incomplete, inaccurate, or misleading information to the public. Up to 60 percent of the scientists reported that commercial interests resulted in attempts to induce modification, reversal, or withdrawal of FDA actions. The press also reported—this to the satisfaction of those adverse to science and public support of research—on how effective bureaucracies are in funding the irrelevant.

Given the bandwidth of media (searching for the sensational), we read about a grant from the National Institute of Alcohol Abuse and Alcoholism (NIAA) to “train prostitutes to drink responsibly on the job”—the prostitutes were actually in China. A National Institutes of Health (NIH) grant supports

the discovery—in Argentina—of a link between drinking and having sex among homosexuals. In the USA, NIH grants funded research on how dragon boating can help cancer survivors, how canoes can help cultural identity, how snorting cocaine creates anxiety, sword swallowing and its side effects, and the development of the so-called “gay bomb” that would cause soldiers—the enemies, of course—to become irresistible to one another and lose the will to fight. One “explanation” for such decisions is that members of the bureaucracy, i.e., some of the experts working at the National Science Foundation (NSF), spend their time, in well-remunerated jobs, playing online video games (at taxpayer expense) and viewing pornography on the Web. A new program at the National Endowment for the Arts (NEA) invited submissions from experts, but had them evaluated by incompetent “friends” of the administration. Those who decide, within the military establishment, what kind of research to fund, place more trust in people with a military record (the networking factor) than anyone else.

In the extremely hyper-partisan world in which Americans live, any crisis—real or imagined—is used to gain political advantage and economic profit. Any high-hope technology is “milked” to the last drop to do the same. Science, in the spirit of which education is supposed to take place, effectively treats people as stupid in such cases: What do they know? We—DARPA, NSF, NIH, etc.—define priorities; they (the researchers) will step in line. Consequently, stupidity generates more stupidity. Hence, everyone sells, on every imaginable media channel, new drugs (of course presented as something else which needs no approval), new methods for dealing with climate change, for reducing energy consumption, for eliminating the consequences of the disastrous oil spill, for anything and everything. The promises of penis growth and doctoral titles guaranteeing successful careers that make up the avalanche of spam messages that Americans receive probably have equal justifications. In the republic of useless liberties, a whole new technology (the digital) was developed with public money, but in total disregard of the risks to which everyone is exposed. Profit dictated compromises that, in the long run, make the most promising technology ever the most threatening. Society installs ramps for the handicapped, but no one cares for the aging as they try to keep up with miniaturized computers. A study of social networking revealed that “grandiose exhibitionism” and “entitlement/exploitives” define the condition of those shaped by the experience.¹⁰⁴

104 Research carried out at Western Illinois University.

America did not invent or discover the corruption of science. Neither its politicization nor its total subordination to economic interests begins in the USA. Just one example: At the beginning of the 20th century, America was hot on eugenics. At that point, Nazi Germany seemed to follow, not lead, in the madness of the idea. Indeed, knowledge is power; it was always so, and it can be abused for purposes totally unrelated to what science is supposed to be. Corruption defines not only human beings, and not only capitalism. Research has documented corruption in ant colonies, even in the beehive, and in the behavior of birds and fish. The idealized image of social insect colonies, based on egalitarianism and cooperation, are as accurate as the image of selfless physicians, of science pursued with purity of goals, of educators totally dedicated to their students.

“Territoriality,” jealousy, and intellectual snobbery detract from research endeavors. Young researchers must swear fealty to their professors or risk dismissal from the project. In most cases, extremely specialized scientists treat as alien any idea that does not fit their narrow agenda. In many universities, there is such disinterest in—not to say ignorance of—what other faculty members are doing that research suffers from the lack of new insight and cross-pollination. Add to this the sheer incompetence and lack of originality of some researchers, who receive funding only because of the right connections, or because they fit into the category of the “underrepresented” (as the National Science Foundation describes certain minorities). “Underrepresentation” of new ideas and challenging viewpoints does not count.

Education will not reverse the course of human greed, egotism, obsession with the self, and increasing territoriality. But it can provide a framework within which awareness of such behavior and of its consequences becomes possible. In order to achieve such awareness, the research establishment will have to promote full transparency, extended to the evaluation process. Under requirements of full transparency, we could at least avoid noxious anonymity, as well as the continuous degradation of ethics in the peer review process.

Corruption of the publication process ought to be considered as well. It is worrisome that fraud in published research is on the rise.¹⁰⁵ Just as troubling is the fact that public money invested in research is turned into the wealth of publishers. Journals and books resulting from tax-supported inquiry are

105 Borenstein, Seth. “Fraud growing in scientific research papers.” *The Washington Guardian*. 1 October 2012: N.p., Web. <http://www.guardian.co.uk/world/feedarticle/10464024>

sold to tax-funded universities at prices that prohibit access to knowledge by the less than wealthy. A \$10,000 annual subscription to a journal only makes rich publishers richer. Instead of becoming public knowledge, in the public domain, research results become another commodity. In the age of transactions, allowing access to science to be yet another profit-making adventure is offensive. Scientists should rail against this, even if it is only grant money (that is, public money) that pays for these publications. To add insult to injury, some journals—among the most “prestigious”—even charge authors before publishing an article deemed worthy by peers.

In this context, the excessive prosecutorial passion led a young man to commit suicide.¹⁰⁶ He was trying to place scientific publications—for sale through various websites—in the public domain. He was facing the need to spend huge amounts of money for legal defense against a sentence of 35 years in prison. It is no crime to make available to the public what they already paid for through their taxes. In the majority of cases, researchers and scholars get no money for their publications; but publishers charge huge sums (sometimes hundreds of dollars) for one issue.

Nobody ever asks the question: Can science, can innovation, result in detrimental consequences? Sure, the atomic bomb brought World War II to an end; and afterwards, as the enemies faced each other, constituted a deterrent. The millions killed and forever affected by the explosion will not necessarily see the bomb as a glorious result of science.

But let us not dwell on the A-bomb; it is always used as an example of a destructive expression of the most advanced science. Isn't it almost just as evident that the most recent economic crisis is the expression of progress in mathematics and data processing with no thought to financial speculation and its consequences? The formula for those derivative packages results from the mathematics of stochastic and probability. The so-called “quants” (quantitative analysts, i.e., wizards of large data sets) developed those computer programs for high volume, superfast trading of equities that every now and then results in shutting down the stock exchange. Data flows through fiber optic cables at a rate calculated in nanoseconds. (One hedge fund plans to deploy drones for the purpose of transmitting data faster than their competitors in order to move capital faster and make higher profits thereby, no matter who else loses in the process.) The question of undesired consequences is related to

106 Lessig, Lawrence. “Prosecutor as bully.” *Lessig Blog* v2. See: <http://lessig.tumblr.com/post/40347463044/prosecutor-as-bully>

that of the goals pursued. Even pure science, if there ever was such a thing, can inform activities that are detrimental. When the profit motive is the main drive behind science and its applications, the danger of not asking “Profit at what cost, and to whose detriment?” increases. So does the risk to which society is exposed. well beyond the inclinations of the researching scientists to consider consequences beyond their control.

The Knowledge Society Does Not Have All the Answers

The owners of the world today are only in a limited manner those who have land, or buildings, or even machines (including weapons). Data is more important than ever. In case you did not know it, Google became the mega-company of the new economy not by owning oil, gold reserves, or diamonds, neither by manufacturing computers, but by processing data. Its competitors are trying to do the same. Extracting information from all the streams of data describing what people are searching for is like discovering diamonds. Sovereignty over land, machines, and factories has given way to sovereignty over information and knowledge extracted from it. Education is trying to catch up with this new reality. To empower those seeking relevant knowledge is no longer the responsibility of educational institutions alone. New knowledge facilitation programs, usually commercial enterprises (Udacity, Coursera) are mushrooming. If in the past education facilitated the advancement of America’s economy, today this is only partially the case. Education is expensive and is too slow in adapting to the new dynamics of work and life.

It is probably common knowledge that the stupidity of many Americans is to a large degree the result of a less-than-appropriate system of education. Gaining awareness of its many inadequacies cannot be conceived without putting knowledge to work for this purpose. Of course, those who see no reason for worry as they continue to provide self-delusional statements will not necessarily change their position. The answer is not to seek more money, but rather adequate knowledge. Therefore, let us consider the best-case scenario.

Somehow (*Deus ex machina*) we get it all right: primary, secondary, college, graduate programs, research, and beyond. No more dropouts, no more situations in which people have to give up dreams and abilities because they lack money. No more industrial processing of minds, but individualized education. No more bureaucratic burdens and corruption. Will this lead to citizens dedicated to their country? That in itself would be worth the effort. No more millions of couch potatoes frying their brains in front of huge TV monitors while ingesting alcohol, drugs, and unhealthy food. No more

shootings; no more gang rapes. A really brave new world, with exemplary individuals, passionate about science or art, eager to help each other. No more racism. No more degrading shows with women reduced to superficial roles, indicative more of sexism than of respect for their talent. No more vacuous obsession with celebrity. Rather a state of informed decisions, and the ability to assume personal responsibility when confronted with choices.

Let's not describe angels (or paradise). Let's not project an idealized image of the human being somehow brought to perfection through knowledge. And, even less, let us not fall prey to the illusion that a good educational system, involving many choices, based on solid science, pursued for more than profit and glory will deliver such a person. It might be the case that such an education is a necessary condition, but it will not be a sufficient condition.

Education can make those involved in the process aware of broader changes that are necessary. But education will not compensate for the lack of equal rights. It will not address the profound causes of poverty in the richest and most successful country in the world. It will empower those who still don't know how generous the framework of the Constitution is, but it will not protect them against the abuse perpetrated under alibis relating to that same Constitution. If indeed America wants to reach the goals articulated in its founding documents, it will have to engage Americans in making this possible, as they themselves become its new framers. But this will not be attained by looking to the past for answers to today's questions, and to the new questions we will have to answer tomorrow. The erroneous practice of perpetuating current values must be replaced by an education that shapes the future, as it also overcomes the obsession with immediacy and instant gratification. Education, including civic education, is a premise. The realization that no one else but Americans can save America from herself will take time to absorb, as will fostering the determination that will make this happen.

A CRISIS LIKE NONE BEFORE

III

NOBODY IS BORN STUPID

Nobody is born stupid, but anyone, regardless of his IQ, can act stupidly. Since statistics show that “our best and brightest do not reproduce as much as others do,” some argue that stupidity will take over. The novella by C. M. Kornbluth, *The Marching Morons*,¹⁰⁷ and the movie *Idiocracy*¹⁰⁸ exemplify this thought. And there are those who claim that stupidity is a natural development, most notably Carlo M. Cipolla who states that it is “an indiscriminate privilege of all human groups [...] uniformly distributed according to a constant proportion.”¹⁰⁹ Across races, gender, or any group—“blue- and white-collar employees, the students, the administrators and the professors”—stupidity is as definitory of the human condition as is intelligence, but with a different outcome.

Becoming stupid is the result of a systemic development. Within free market post-industrial capitalism, the possibility of becoming stupid turns out to be a necessity. To the extent that profit is the necessary outcome of capitalism, stupidity cannot be avoided. As soon as someone’s personal experience and his or her ability to understand it part ways, the seeds of stupidity start to germinate. Superstition is one convenient example of this, as are fanaticism and all kinds of addictions. Stupidity blossoms when the gap widens between what we do and our desire and ability to understand consequences. Lance Armstrong’s use of drugs in order to win the Tour de France year after year, and especially his years-long denial of doping himself and teammates, makes for an easy case study. Stupidity is detrimental to all involved. It is characteristic of the breakdown between individuals and society. Individuals

107 Kornbluth, C.M. *The Marching Morons, and Other Famous Science Fiction Stories*. New York: Ballantine, 1959.

108 *Idiocracy* (2006) directed by Mike Judge depicts American society 500 years into the future. The film features the dystopia resulting from rampant commercial interests and over-breeding of stupid people. The movie’s distribution was severely limited. A *New York Times* film critic speculated that Fox might be shying away from the cautionary tale about the future low-intelligence population of the USA because the company did not want to offend its viewers.

109 Cipolla, Carlo M. *The Basic Laws of Human Stupidity*. Bologna: Società Editrice il Mulino, 1976. An English version is available as an eBook.

do not arbitrarily decide, "Since it is easier to live without any concern for others, why not join those who are already fixated on their own interest only?" Some heirs to wealth do not, individually or collectively, decide: "Let's be stupid. We can afford it." Nor do poor youngsters tell themselves, "Let's be stupid. We can't afford the alternative, and nobody's going to help."

Most telling is the stupidity of the system itself. The skewed relation between the ever more frequent practice of reacting (to whatever breaks down) and the rationality of prevention is not accidental. It reflects the connection between the faster cycles of immediate profitmaking and the corresponding human condition of extreme selfishness. Hurricane Katrina led to the rapid movement of over 100 billion dollars. It would have taken one-tenth of that amount to work on the levees and to relocate the people endangered by living in homes built in extremely dangerous territory, to secure the infrastructure and install a warning system.

But prevention is slow-moving money. Stupidity maintains, "There is no use in spending money on others, when no need is apparent. What if no storm comes?" Hurricane Sandy hit coastal areas of New Jersey and New York that were developed with little or no sense of prevention. Every year, hurricanes lead to power outages, some lasting for over a week. Stupidity informed the hurried purchase of generators with public money. "If I can have electricity, why would I care for having safe power plants and power lines placed underground?" The damage caused by the storms of 2012, comparable to that caused by Hurricane Katrina in New Orleans and the Mississippi Delta, will require billions of public dollars to repair; this does not include human suffering.

None of this money will prevent future damage to life and property. It will be spent only to return to a condition that was not sustainable in the first place.

The systemic pressure of the expectation of immediate profits shapes individuals and society, at the cost of high risk. The entire development of post-industrial capitalism in the USA is modeled on the illusion of fast and cheap, to the detriment of the sustainable and economical. Those familiar with the shabby ("Third World" is the best description) electric grid have reported on the billions in losses incurred and those to come if the grid is not brought up to 21st century standards. But transactions are generated on account of breakdowns. Profits are made regardless of the cost to individuals and society as they suffer until life can return to normal. Everything

produced in post-industrial capitalism embeds obsolescence, including that of the human being, who is rendered disposable, whether he's extremely poor or scandalously rich. The heap of everything disposed of, including human destinies, is as high as the stupidity of the people who accept the deal—cheap now at the cost of the future generations who have no say in the matter, but will have to live with the consequences.

The Stupidity Quotient

In the celebrated knowledge economy, cognitive abilities are restricted to the extent that “Don't think!” is preferred to “Use your brain!” Stupidity can be recognized as a feature in computer programs, as well as in the routine of organizations. Real communication is replaced by congratulatory phrases.¹¹⁰

The process through which stupidity is generated parallels that through which, within the American system, a contradictory human condition is continuously affirmed: simultaneous and unavoidable increased dependence on the system and progressive autarchy. A cocktail of socialism and libertarianism: nothing can be more delusional. No other place on the planet has reached this systemic development to the extent experienced in the USA. Indeed America, despite its growing infatuation with regulation, remains the most competitive post-industrial capitalist economy. As a consequence of the possibility and necessity of stupidity, activity and outcome are divorced. Thus, the USA scores equally high in performance and wastefulness.

Within America-the-Economy, the fulfillment of needs and desires is no longer the goal of someone's work. Expectations set the new threshold, for poor and rich alike. Some feel entitled to a lifelong government job even if they do nothing to deserve it,¹¹¹ others, to own a house, a car, television sets, smartphones, games, and computers, and to have access to the internet. To be entitled to what over 60 percent of humankind cannot even dream of became a birthright. At the high economic end of the spectrum (the top 1 percent or the 0.1 percent), the sky's the limit for expectations. Theirs include the right to remain wealthy forever, even if they (inheritors) contributed nothing to earning that wealth.

110 Alvesson, Mats and André Spicer. “A Stupidity-Based Theory of Organizations.” *Journal of Management Studies*, 49:7: 1194-1220. November 2012.

111 “We are in an environment...of entitlement [...] a lot of people who are city workers...think they are entitled to a job and all that comes with it.” Detroit Mayor Dave Bing, *CBS Detroit* 20 November 2012. Many other mayors across the USA would endorse this statement.

The qualifier “stupid” applies to individuals who, conditioned by the system, have lost the ability and the motivation to understand what is going on with them, and with the world in which they exist. *Here Comes Honey Boo Boo*, “a TLC reality show about the life and times of a seven-year-old beauty-pageant contestant,” is only one example.¹¹²

She [Alana, the show’s Honey Boo Boo] and her three sisters have four different fathers. Her mother, who weighs more than 300 pounds, says that farting 12 to 15 times a day helps you lose weight. And Alana’s niece, whose birth was celebrated in one episode, has a teenage mother and three thumbs (Alana’s reaction: “I wish I had an extra finger, then I could grab more cheese balls!”). But the members of the Boo Boo clan actually seem to enjoy spending time with each other, which is saying a lot for any group of people on TV. Granted, family time sometimes involves playing “Guess Whose Breath” (it’s exactly what it sounds like) and eating a dish called “sketti” made from pasta and a sauce of microwaved Country Crock margarine and ketchup.

“Stupid” applies just as much to those who accept and even applaud manifestations of stupidity. The show “had more viewers than the Republican National Convention.” There are many other shows of the same caliber. Hundreds of thousands of Americans seem to like them (and even *Honey Boo Boo*), among them the “certified” well-educated.¹¹³ Perhaps they’re plotting their own variations of similar television shows in the future.

A Stupidity Quotient (SQ) could easily establish the degree to which individual ability, motivation, and awareness are affected by the process of generating stupidity. This measure could also reflect the effect on existential (survival) skills. In this world of extreme specialization, individuals progressively give up the ability to perform to their own benefit, never mind the benefit of others. They adapt to machine-like behavior, or are driven by stereotypes.

Today’s “stupid” person does not fit the classic image, a cartoon-like caricature, of a dumb person acting clumsily or disgustingly. Stupidity is the outcome of a process of dumbing down, of having been programmed to behave in disregard of consequences, including for consumption. For an observer from the outside, it might appear to be an intentional process. Indeed, it seems as though the system is trying to take away from individuals the ability to

112 Woodruff, Betsey. “Much Ado about Honey Boo Boo.” *National Review Online*: N.p., 15 October 2012. Web. <<http://www.nationalreview.com/blogs/print/330365>>

113 “Seriously, *Honey Boo Boo* is the decay of western civilization. Just because so many people watch the show doesn’t mean it’s good. So many people witness atrocities and can’t take their eyes away from them.” Adam Levine, *US Weekly* 3 December 2012. “What’s little *Honey Boo Boo* going to grow up to be? [...] a fat kid...a big fat woman.” Joy Behar, *The Huffington Post* 5 September 2012.

meaningfully interact with others, or that individuals keep volunteering to give it away for the sake of convenience. To illustrate the thought: There are people who will walk into a door because they quickly got used to doors that open automatically. They have no idea how infrared sensors work, or what they and microcontrollers, used in automated doors, are. Nor do they care. They do not hesitate to give up self-reliance for the perceived luxury. And when the convenience no longer works, they complain, instead of opening the door on their own (“How primitive!”).¹¹⁴ When the electricity goes out, the new morons express “narcissistic rage” and a sense of entitlement (“It has to work the way I want!”), taking their frustration out on switches and outlets. They don’t think about what electricity is and where it comes from. Scale this up to all the dependencies that have literally transformed the individual from a condition of responsibility to one of dependency. This, too, can be integrated in the SQ.

Focusing on oneself to the detriment of anyone else—and to one’s own detriment in the end—is the behavioral expression of stupidity. It overlaps with self-centeredness. In reality, it goes beyond it, into the acquired, or imposed, lack of desire to acknowledge the world around oneself. The stupid feel entitled to shortchange everyone, including themselves. That is their understanding of liberty.

Stupidity “En Masse”

When immersed in the new rituals of post-industrial capitalism, people behave more and more at gut level. One telling example is the entire ceremonial surrounding a football game: momentum building up weeks in advance, ticket hoarding and scalping, tailgate parties, face and body paint, adopting club language, and selecting appropriate menus ranging from junk food to gourmet snacks. No one cares for the neighbor to the left or to the right, in front or in back. As spectators, they step back from culture and self-cultivation to instinct and the lowest drives. Violence is the conduit for releasing frustration and the feeling of powerlessness. The aggregated mass is sucked into tribal frenzy. During football games, Americans can finally scream, let out built-up hate, suffer or celebrate as their surrogates go at each other’s throats. The members of the public (in the stadium, in front of the TV at home, or staring at video monitors in bars and restaurants) have in common the urge to consume the

114 Joseph Burgo describes the “feeling that one has a right to be given something which others believe should be obtained through effort,” in “Narcissistic Rage and the Sense of Entitlement.” *After Psychotherapy*. N.p., 27 April 2011. Web. <<http://www.afterpsychotherapy.com/narcissistic-rage/>>

event at its fullest. This is a cleansing ritual, a cathartic moment in a less than rewarding existence. This is America's shrink couch. Identification with a team can take irrational forms. The same can be said of mass concerts (the hip-hop and rap vulgarities, the loudest rock, etc.). It does not matter that a game or a concert is ephemeral, fleeting, just as it does not matter that some spend well over what they can afford for the liberty of being foolish. Some tickets go for a month's salary or more.

Political rallies are similar, and not necessarily cheaper. Giving in to idolatrous hagiography, the mesmerized audience is too stupid to realize that it has no influence. The individual becomes part of the event not because he or she expects a positive outcome, but rather in the hope that the "others" will lose. It is worth noting that fascism (and communism, for that matter), pretty much like the decadent Roman Empire, offered the masses entertainment and food (*panem et circensis* or "bread and circus") in exchange for their submission to the system. The Soviets did the same. Probably no one ever expected that the American political scene would be more successful in employing this tactic.

It is worth noting that the most violent forms of sport take place in the USA: wrestling (not just with hands, but with implements meant to inflict real pain on the opponent), boxing (a cause of serious brain injury), football, (carried on with no regard for a player's injuries, even in high school games), likewise leads to brain damage (which is more profound the sooner it starts). These are not clandestine sports, but the favorite sports of average Americans. The same people who have a passion for guns (and feel entitled to own them) also find entertainment in cruel, violent, and gory movies and video games. No other progressive country has such a culture of violence. Chuck Barris, a game show creator and host of *The Newlywed Game* where couples had the chance to humiliate themselves as well as the infamously tasteless *Gong Show* and the *\$1.98 Beauty Show*, warned that if entertainment continued on the path of similar productions, audiences in the USA would soon be watching gladiators fighting to the death, with absolutely no qualms.

The System Does It

A different example, transcending sex, politics, celebrity, and sports might better explain the systemic nature of stupidity. It will also explain how post-industrial capitalism promotes the process. Don't look for some dark plot against the poor and disadvantaged; there is none. In order to explain how stupidity is produced and reproduced, we need to understand how the stupidity machine works.

The system keeps promising fulfillment of the American dream: more for the lowest immediate price. In order to churn out the expected output, it has to do away with anything and everything affecting its efficiency. Thinking and self-reflection, questioning and articulating a critical attitude are costly. The desire to know, as well as cultural involvement, is time consuming.

It is time for people to understand one truism: Capital is only about profit. In order to maximize it, capitalism buys its “green wave”: the traffic lights turn green on the freeway of moving capital faster and faster, in total disregard of any rules (speed limit, right of way, protection of pedestrians and the handicapped, and so on). Competition is the force behind the process. Capital dictates the policies that provide the freeway.

Post-industrial capitalism is based on the illusion of freedom. Holding its subjects in fetters (as Romans, in an agriculture-based economy, did with their slaves) would be unprofitable today. Maintaining the type of dependence of those who created the value-added characteristic of industrial capitalism would also limit the speed. (For example, beginning in the late 18th century, England prohibited mechanics, especially those in the machine-making industry, from emigrating.) Without programmers from India (and in India), the Silicon Valley miracle of post-industrial capitalism would not be possible. The expectation of maintaining rapid movement of capital forces the change.

Addiction to consumption and its continued stimulation have replaced the old bonds of loyalty to a company. The same applies to the bonds embodied in the notion of patriotism and nationalism. Americans are connected to the USA as an economic opportunity, not as a political or social promise. They are open to any alternative, even working for the enemy or the competition. Ultimately, value is added in the global economy, in global enterprises, for global capitalists. If patriotism moves capital faster—as when economic stimulus packages are applied—so be it. If not, forget it. Enough stimulus money meant to help American businesses landed outside the USA.

The great American illusion of freedom was broken down to encompass all kinds of liberties that are in reality only apparent. Freedom guarantees a higher return than the cruelty of plantations where blacks slaved for white and brown slave owners. The free republic was proclaimed at a time when way too many people were neither free nor equal to each other. Its continuous reinvention in our days does not exclude slavery.

Through the workforce force of those countries where the labor operates under conditions close to slavery or, at best, factory conditions prevalent in the USA of the 19th and early 20th centuries, American companies reap the profits. For example, Apple has been criticized for the low wages paid and hazardous conditions under which their Chinese workers manufacture its products.¹¹⁵ A commentator to the article made the point: “SHAME ON APPLE” for outsourcing America’s livelihood to slave labor camps.”¹¹⁶ System-induced stupidity prevents the iPhone and iPad fanatics (and addicts) from realizing their complicity in perpetuating slavery. They feel entitled to the gadgets, to their own enjoyment. Commercial democracy knows only the right and obligation to consume—on one’s income, on credit, or through entitlement. Moral responsibility is not part of the agenda. What keeps America together is not a political or social identity. The economy, dispensing amoral prosperity as a factor of relative stability, is screwing Motherland America. And stupid Americans are her bastards.

Expectations vs. Need

Post-industrial capitalism pursues its goals of maximizing profit by utilizing new methods for moving capital faster and faster. Shorter cycles of product development are a necessity. To reach the highest profit, capital cannot be tied up for longer than is minimally necessary. Specialization and extreme automation (at the price of reducing the workforce to a minimum) facilitate the more rapidly succeeding innovation-production-distribution cycles.

Parallel to this development, the system outputs consumers. Without consumption, the engine comes to a halt. Nothing should stand in the way of their desire, moreover ability, to satisfy ever-higher expectations. Since salaries and wages have not increased in the last 30 years, credit was generously facilitated. Credit ultimately creates dependency. Buying on credit is compounded by buying into progressively stronger dependence. Before you finish paying off the credit used to purchase a gadget, you have added to your debt by purchasing the inevitable upgrade, or the next improved version.

115 Blodget, Henry. “Apple’s Sweatshop Problem: 16 Hour Days, 70 Cents An Hour.” Daily Ticker 20 January 2012. Web. <<http://finance.yahoo.com/blogs/daily-ticker/apple-sweatshop-problem-16-hour-days-70-cents-172800495.html>>

116 MP, Florida. Jan 23, 2012 Comment to the article: “How the U.S. Lost Out on iPhone Work.” New York Times 22 Jan. 2012: N.p., Web. <<http://www.nytimes.com/2012/01/22/business/apple-america-and-a-squeezed-middle-class.html?nl=todays-headlines&emc=tha25#commentsContainer>>

In principle, at least, a person can live without a computer, without a printer, a scanner, a cell phone, a smartphone, a GPS device, a navigation system, a game. Twenty years ago, human beings got along fine without them. However, if it is not need (as in survival need, higher productivity, or because there is no option to going without), nor desire (because “it would be really great to have it”), then it is expectation that becomes the engine driving the market. The system itself has to generate expectation. The expectation is that everyone has access, that everyone can afford everything, that everyone is entitled to partake in the abundance.

The rapidly increasing availability of functions, facilitated on a global scale, actually frees users from the need to know how to do things. Stupidity seeps in as the acquired artificial ability becomes dependency: watching movies on the phone, playing games, checking the weather, finding a restaurant or a car dealer. All those captive to the gadget and its functions—calculator, spell checker, navigation system, voice recognition, and so on—can no longer do without it. The manner in which post-industrial capitalism literally promotes dependencies bears witness to creating, maintaining, and augmenting stupidity. For the sake of profit maximization, products are developed at a scale at which availability and price are tightly connected. Post-industrial capitalism is the expression of economy of scale: the market is the world, otherwise the profit potential is diminished. Thus it is impossible to refer to the digital as only the miraculous technology of never-ever imagined possibilities. Phishing, spamming, browser hijacking, and identity theft are no less characteristic of this age. Nevertheless, capabilities never dreamed of testify to intelligence: technological and scientific performance, and production, organization, and marketing skills.

Prosperity is not an illusion. More people than ever get a taste of it, even if some get so much more than others. The shadowy reality of financial dependency (debt, entitlements), lost skills and aptitudes, and human breakdown reached a scale comparable to the success story of post-industrial capitalism. This development testifies to the unavoidable stupidity generated in the transaction economy.

Simply put: Were it not for the obsession with the highest profit in the shortest time, at the lowest cost in total disregard of sustainability, technology would be not only seductive and addictive, but also secure. Furthermore, it would be less prone to continuous revision—one version kills the other—with

the accompanying huge cost to the user in time, energy, and money. Not to mention the cost of life: Think of all the time and cognitive resources needed to remain current. Without them, you are out!

Once a product is acquired, the relation between the owner and the owned device switches. The gadget starts to own its user. Here is the “must do” list: subscribe to a service so that the device can actually be used, keep the device up to date with newer features, buy accessories, insure the device, name the device, buy the illusion of exclusive use through a password. Acquiring the device is only the first step in an open-ended commitment that creates dependencies. Each update invades the user’s existence. It requires time. Each operation involves giving over more of one’s identity. And each detail given out is one more that no longer belongs to the self. Thus, Google knows when a user will die before he even starts worrying that his life will eventually come to an end.

The ultimate payment is the inexcusable, but by no means accidental, sacrifice of the individual. Were it not for faster cycles and seductive (but treacherous) lower prices, this technology would not have evolved as a trap for its users. As a matter of fact, the entire digital-processing world is extremely insecure because it is built on the shaky foundation of cheap costs (in order to maximize the return on investment. Furthermore, the fundamental Law of Reversal holds: If a human being (or a group) has made something, a human being (or a group) can unmake it, can breach it. This was true with mechanical locks and safes. The pin lock, the warded lock, the double-acting tumbler lock, and so many more locks were all eventually picked. (67 years passed before Hobbs attempted to pick the Bramah’s safety lock, and it took him 50 hours to do it!) Computer security is no different. The problem is aggravated by the fact that in the digital, more than in the world of pins, screws, and gears, machines can mimic what humans do. In particular, they mimic how people think, how they conceive “locks.” They can generate passwords or methods for decoding messages, for breaking the firewall between the personal and the public domains in less time than Hobbs needed. Of course, it helps that the government wants to know what Americans are doing—for their own security, mind you—and demands a back door in order to access their data.¹¹⁷

117 The “Back Door” law refers to the federal government’s pending requirement that companies providing computer hardware and Internet services allow federal and state agencies responsible for security to have access to a user’s online communications. The potential for abuse is glaringly obvious.

Never Put the Safe In the Middle of the Road.

With all this in mind, let us consider the consequences of the lack of security, that is, criminals breaking the lock to your door, or the government using the back door installed for security reasons. Identity theft is only one example. In addition to emotional stress, it costs the victims money, credit rating, time, and a great deal of hassle. The damage—in the range of trillions—affects not only those targeted, but also various institutions and the economy at large. The unbearable and increasing inundations of spam (don't we all, men and women, young and old, want a longer penis, a Russian bride, or a potion to regrow hair?) affect hundreds of millions of people. Every person with a computer (so, society at large) is increasingly vulnerable. The extent of the incidence of hacking of computers embedded in cars, not to mention cell and smartphones, through which many people conduct a variety of transactions, are well documented. Society is slowly getting accustomed to the notion that new prostheses, attached to or implanted in bodies, monitored by embedded computers, can be compromised. The electric grid, the water supply, and gas distribution are all targets.

The fact that Americans, whether through political motivation or not, have allowed this situation to evolve is the expression of stupidity at work. It is generated and stimulated by post-industrial capitalism, driven by faster cycles. It is immanent in the system. No, it is not some dark plot, with plutocrats enrolling criminals to do their bidding, or terrorists outsmarting us. Fanaticism and ignorance equally lead to stupidity.

The vulnerability associated with digital processing cannot be eliminated. But it can be substantially diminished. The safe of the past, with several encrypted locks, was not easy to crack. Moreover, if you had such a safe, you did not put it out there for anyone to have a go at unlocking it. Unlike bank safes, which are kept behind locked steel doors, the digital safe, with people's data in the cloud, is up for grabs on the Internet—and always with a back door so the government can keep an eye on its subjects. This situation defines post-industrial capitalism in many ways. Of course, it is “more efficient,” i.e., cheaper and faster, to accept mediocre design and hasty programming than to spend time and money on increased security and reliability. Recycling older programs, hacking, and tweaking were adopted across the economy. Everyone in the trade knew that weaknesses characteristic of the beginnings computer processing—the famous DOS of Microsoft's early days—were passed from one generation of programs to another. Everyone in the trade knew that

weaknesses characteristic of the beginnings of computer processing—the famous DOS of Microsoft’s early days—were passed on from one generation of programs to another. Some weaknesses were intentional; companies want to know what the competition is doing. Many holes in security and many weaknesses in performance were also perpetuated because no one wanted to rebuild the “house” from the “foundation.” They still don’t. As a result, to monetize back doors and security gaps became an up and coming source of profit. Programs grew in size not in order to be better, but to provide more bells and whistles. It was cheaper to force the user to buy more memory, thus stimulating the semiconductor industry, than to optimize code. And since computers integrate a variety of software programs, intended to work flawlessly together, backdoors—for keeping an eye on others—became an opportunity, regardless of the users’ right to be provided security.

The truth is that the larger a program, the more vulnerable it is.¹¹⁸ Especially when former vulnerabilities continue to be passed on from one version to another. Instead of investing in secure programs, adequately tested, the industry has competed feverishly in order to get people hooked on cheap machines. Instead of debugging (finding and eliminating errors) which is expensive and time consuming, the economy enlisted users as their “test animals.” “If it works, we’re lucky; if not, we’re either bankrupt (after having already cashed in on faulty products) or already at the next cycle.” If the automobile industry were to do the same, the population would rapidly decrease due to vehicular accidents. The big players in the computer industry became rich by taking advantage of the free work of the users who had no choice but to identify what was wrong with the product they bought (but don’t own).

Not everyone who falls for less than reliable products is stupid. But addiction to the seductive but less than reliable technology is dangerous. When the system breaks down, the techno-addicts get an idea of what dependencies they accepted. In subordinating themselves to technologies that few of them even care to understand, they gave up on their own abilities.

Triggering Needs For Higher Expectations

The security holes in operating systems, mail software, browsers, printer controllers, and the like have invited trouble. They have stimulated the stupidity of a growing number of individuals empowered to do damage to others. For

¹¹⁸ Joseph Weizenbaum’s warning about such large programs in his book *Computer Power and Human Reason* (1976) went unheeded. In the transaction economy, cybersecurity is the new economic opportunity.

digital criminals, a new thrill is all that's expected. The high of hacking a phone system to get a free connection, or breaking into the Pentagon attracts everyone's attention to the perpetrators. Some individuals, feeling either abandoned or not taken as seriously as they believe they should be, are vying for attention. Notoriety is equated with legitimacy. Even Steve Jobs needed his highs (and confessed to drug use as he underwent security clearance meant to give him legitimacy as a purveyor of products for the military). Why not try a heist? To the argument that stealing someone's identity can be profitable—a criminal activity in the end—the answer is congruent to the logic of the accelerated movement of money. Every stolen credit card number, replicated on fake charges, moves a lot of money in a short period of time. In 2011, 407 million fell prey to identity theft, losing more than a trillion dollars.

Let no one be fooled: this is the goal. The profit, if any, made by the thief is minor in comparison to the profit made by the system. Insurance pays, moving money from one fund to another and into liquidity; consumption is increased; everyone involved is forced to carry on activities that in turn move more capital. Post-industrial capitalism benefits from identity theft; it is a profitable transaction. Behind these transactions there are risk formulas, but no real value. Each new vulnerability triggers more activity: patches, new security functions, new versions; and, perversely, a new industry (often owned by the same players.) Their reason for being? "We are here to protect you— from the consequences of our own bad mistakes. But you have to pay us for it."

"We will provide you with security!" is not a new service. The Y2K scare (digital technology's transition from 1900s to 2000) belongs to this same subject. It was theorized that storing the year number with two decimal digits would cause trouble because the computer would not be able to distinguish between the year beginning with 20 and the year beginning with 19. This was pure scaremongering. All those who knew better were ignored for the sake of efficiently moving capital. The problem was even socialized: the public paid for many of the fixes via transfer from taxpayers to the owners of the economy. At a price tag of \$380 billion, it is easy to see how: a problem was created; a fix was generated in the form of the Year 2000 Information and Readiness Disclosure Act of the government (as incompetent as usual, but expensive) was advanced; profit was made at both ends. During the era of industrial capitalism, which had its own breakdowns, this kind of capital acceleration through planned disruption occurred on a reduced scale. Post-industrial capitalism generates an ever-expanding array of services. Most of them are not a response to a need, but rather a consequence of triggering needs, of engineering them.

The economy of post-industrial capitalism operates under conditions of asymmetrical benefit. The public at large is nudged toward the use of computers, cell phones, smartphones, and tablets. Many services on which individuals are conditioned to rely—banking, bill paying, renewing a driver's license, accounting—become unavailable except through digital means. Soon money, too expensive to produce and maintain, will be replaced by a digital simile. Ignorance leads many to believe that such services are offered to satisfy their needs. In reality, they are designed with only one purpose in mind: to increase profit. The company thus saves on paying out salaries to employees by making the public do the work for free. The service does not get better. Neither banking nor the telephone system, not to mention municipal and investing services, has improved as a result of digitization. Users are forced to perform what others—trained personnel—used to do for them. Accordingly, salaries paid to employees are eliminated. Once technology takes hold of individuals, none of whom can avoid using computers or the cell phone (now pushed as a replacement for the credit card), they will eventually fall victim to unreliable products.

Vulnerability constitutes the tip of the iceberg. The fix, in the form of a parallel industry (antivirus programs, virus scanning, firewalls, not to mention cybersecurity deployments) might one day be more expensive than what it claims to protect. Buying convenience easily makes you hostage to it, and degrades your own abilities. Why care if others will protect you (or claim to do so, as they sell your data to others for profit)? One more surprise: This is not where the money really is. Obviously, the movement of capital is accelerated if instead of physically going to a teller in the bank, one pushes some buttons to transfer money that did not have to be printed and stored.

But this is not the whole story. The less obvious theft occurs as the behavioral profile of each participant is appropriated. It is at this level, of mapping each expression of interest (or disinterest) and keeping a full record of all transactions, that the engineering of stupidity is carried out. Processing of credit card data and buying patterns enabled the Target chain of stores, for example, to know a girl was pregnant before she told her parents. Target was not looking for replenishing the inventory of pregnancy tests, but for customer profiles, in order to better “target” the consumption patterns of its customers. Walmart, owner of huge amounts of data, ended up tracking the behavior of married couples precisely in order to know which customers might eventually divorce. (This is a growing market.) Amazon, the most sophisticated of all data-miners offers its data-mining tools as products. Data is power!

There is yet another market to exploit: protection of private information. All businesses take advantage of people's desire for privacy. Indeed, people are profiled corresponding to the most intimate data one can conjure. Of course, this takes place in a manner contrary to all dictates of political correctness and human decency. But nobody makes a fuss. In the world of data-mining, Whites, Blacks, Asians, homosexuals, transvestites, men and women, young or old, wealthy, rich, middle class, or poor are taken for who they are: different consumer types. They have different patterns of behavior corresponding to their different cultures and social expectations. It does not matter which political party one belongs to, which race, gender, age group, and other categories into which one fits. The economy (to which political parties also belong) wants to know what everyone likes or dislikes. How far would you go to obtain the latest in fashion? Would you borrow? Steal? Kill? What would you do in order to rent? (This is among the latest lucrative businesses, by the way). Moreover, what individuals can afford and what credit they might have access to indicate their consumption potential. Their instincts, wants, desires, and expectations are x-rayed. Any real person who even tried to nose into such private details in would be endlessly vilified. But online is where the consumption goals and abilities of consumers are catalogued, and political inclinations are transformed into choices. Their addiction to shopping can be precisely stimulated. The economy knows at which price level it can capture each victim; it knows what votes can be bought. It is not politically correct, but the stupid, who otherwise would not miss the chance to protest, prefer the convenience. Ultimately, it is on account of stupidity that profits are made.

It is very difficult, if almost impossible, to resist the market's tricks to impose mindless consumption. Each new transaction is propitious to higher stupidity. People end up mortgaging their future for what they don't need. "Give a man enough rope and he will hang himself" finds its corollary in "Give people enough credit, and they will end up in debt over their heads." Upon death, insurance repays it. Buying on credit, letting expectations take over, and ignoring consequences are individual behaviors. Such behaviors, with the associated risks, are aggregated in a variety of financial instruments. Speculation on the aggregated value of individual consumption behaviors and the returns associated with them percolate in various hedge fund operations—or at the higher end, in private equity speculations. (Which business is a good buy?)

If indeed socialism is thought of as taking everything individuals have and socializing their property from the beginning, capitalism first lets them create property and only afterwards takes over all they have accumulated. Stupidity

is all that's left. People hurt themselves as they give in to consumption addiction and entitlement dependency. Neither they nor society, which has to cope with the many consequences of higher consumption and less individual responsibility, benefit from it.

The Mirage of Liberty

Nobody, not even the most stupid, would argue against the need for security—for individuals, for groups, for the USA as a whole—for the world. This is yet another example of how post-industrial capitalism cashes in at both ends: On the one hand, it creates cheap, highly vulnerable products, on the other, expensive remedies. On the one hand, it creates human breakdowns (in the workplace, in behavior, in social and private life), on the other, it creates entitlements. Such is the nature of the transaction economy. Profit is made by hijacking the individual in addictive consumption behaviors characteristic of commercial democracy. It is in this context of the right and the obligation to consume that individual stupidity is legitimized. Albeit, the security business extends to ensuring that enemies do not endanger economic cycles. It is in respect to this legitimate goal that the individual is brought to the condition of abandoning freedom in favor of the benefits associated with stupidity.

America broadcasts a record of civic liberty and protection of privacy that has no equivalent in the world. The laws guaranteeing privacy such as the federal Privacy Act were written after the USA experienced painful abuses. Following the Watergate scandal, Americans were hoping that their civic liberties would be protected in the spirit of the Constitution. (Neither privacy nor civil liberties are mentioned in the original text.) Naiveté never informed an effective course of action. Post-9/11 America, especially America sucked into the financial crisis that began in 2008, found enough excuses for emptying the word “privacy” of any meaning. Data collection is a legitimate business, regardless of whether it serves commerce or is performed by the government.

The government has created thousands of jobs in which Americans spy on Americans behind the claim of defending America's freedom. When fundamental liberties and rights are abused, even at the price of more state (or privately contracted) employment, the abusers and the abused together lose their condition of free and responsible individuals. The government of the USA (the republic of freedom) acquired the power to access, without probable cause, tax and medical records, and banking and shopping-related data, to tracks books read in libraries or online, music listened to, concerts attended, and travel behavior. It tracks subscriptions to telephone and Internet

services, television programs watched and movies rented. The right to life, liberty, and pursuit of happiness has been reduced to the right to shop and indulge, and to be observed while we are doing so. Pervasive surveillance outside the boundaries of checks and balances is supposed to guarantee this right against those who oppose America's understanding of freedom. Huge amounts of money are spent on the deployment of mass surveillance in big cities, in stadiums, on public transportation. By manipulating politics, post-industrial capitalism creates the need for an immense investment in security. And it reaps the profits, including those from selling the technology to regimes known to oppress their citizens and punish the opposition.

An increasingly submissive American population pays for the right to be spied on through the most advanced technology. It is an absurd situation, of course. The security of partaking in prosperity is the same as the security of surrendering one's sense of liberty and responsibility. Real-time interception no longer requires that an agency show "probable cause." The "pen register" and "trap and trace" devices of yesteryear required at least a court order. The Electric Privacy Information Center (EPIC) has documented the process through which legislative action, defying the principles upon which America was founded, has led to progressive disempowerment of Americans. Today, individual sovereignty is probably lower than what the original settlers enjoyed. Even on the scale of "Freedom of the Press," the USA managed to fall to a position (47 out of 179) below other countries to which it used to preach liberty.¹¹⁹

Of course, demonizing the executive branch, the legislature, or the judiciary, on whose watches (both red and blue) these abuses arose, will not change the systemic aspects. Government is fully in the service of the profitmaking machine. This applies to spying on Americans, or betraying their right to privacy and security in favor of protecting those who make money on the new technologies.

I am just tickled when, at my very private e-mail address a message arrives, addressing me by a name my mother used to call me, and which only two or three friends know. This is how the president, leaders of political parties, and other federal government bureaucrats address me. Where did they get that name? It does not seem unlikely that data-mining engines fished it out of a personal file, impinging on my right to privacy. In fact, the Internet service

119 Reporters Without Borders for Freedom of Information. "Press Freedom Index 2011/2012." *Reporters Without Borders*. N.p., n.d. Web. <<http://en.rsf.org/press-freedom-index-2011-2012,1043.html>>

provider sold my data, despite all their assurances to me that they would never do such a thing. But most bothersome is the fact that politicians abuse my rights and consider me so stupid that I will fall for their message if they address me by a name that only my mother called me. In a democracy, their right to write to me and call me by a familiar name, would at least be associated with my right to write to them. The response button in America-the-Economy exists for donations only. Stupidity always expects to be financed. It is an entitlement.

PRODUCTION AND REPRODUCTION (OF STUPIDITY)

America is identified with capitalism. She is frequently vilified for her self-serving missionary fervor in promoting free markets and the free movement of capital. Nowhere else has capitalism succeeded more than in the USA. Its premise is relatively simple: Labor and liberty are the sources of wealth and competition fires capitalism's dynamics. Capital is what it takes to make free labor, which replaced slave labor, successful. The risks and rewards of capitalism correspond to the investment and the ability to make society accept and endorse the interests of the capitalists.

Regardless of political or ideological inclinations, running the gamut from idealizing to demonizing capital (and capitalists), a consensus has been formed. Human performance moved the threshold of requirement from sheer survival (in the primitive "economy" of hunting and gathering) to satisfying ever-higher wants (in post-industrial capitalism). The production and reproduction of capital—to which belong not only machines and physical plant, but also qualified labor—is ultimately the reproduction of the living: human beings, animals, plant life, and so on, down to the cellular level. Through human effort, raw materials, energy, and tools become goods and services, and are validated in the market. This is where capital (including the living capital mentioned above) succeeds or fails. Within a few hundred years, capitalism has changed the human species more than natural evolution has changed it over hundreds of thousands of years. It is worth mentioning that socialism also tried its hand at reshaping the human being and society. While it failed in the Soviet Union (as a form of so-called collectivism), it proved capable of complementing economic capitalism in several European countries.

A Changed Human Condition

The reproduction of the human being involves more than conceiving and giving birth. Indeed, the human being is shaped in all its stages—from conception to maturity, to aging and death—through the production and

reproduction of capital. The realization that freedom benefits the entire process was probably tested to a greater degree in the USA than in any other part of the world. So too has the practice of competition been put through more drastic testing in America than anywhere else. In industrial capitalism, the ability to work (in factories, in mines, in farming, in distribution, etc.) had to be maintained in order to be reproduced (through nourishment, rest, health maintenance). How much it actually cost to reproduce the laborer's ability could be expressed not just in salaries, but also in the duration of labor, working and living conditions, training, and education, among other aspects.

In addition, during industrial capitalism, the ability to consume what laborers produced had to be keyed into the economic equation. Profit (the difference between capital invested and the outcome of the investment after all costs are covered) reflected the cost of maintaining the worker's productive ability, but also the cost of facilitating consumption. Henry Ford is one of those who realized that to be successful in making cars means that one also needs to "make" car buyers, i.e., people who can afford an automobile. Without consumers, production is pointless: the economic engine chokes, and no profit can be made. Freedom, including that of consumption, became part of the equation of capitalism. Such freedom did not arise from the capitalists' goodness of heart, but rather as an economic parameter. The purpose of government, in principle representing everyone (owners of capital, workers, unions, the self-employed, distributors, homemakers, etc.) was to maintain the stability of society. (And indeed it did, in some very drastic ways!) The give-and-take of capitalism, reflected in the manner in which the price of labor is established, is the source of conflicts that could undermine societal stability and thus profitmaking.

Post-industrial capitalism corresponds to a different context. The production and reproduction of capital takes place on a different scale. Government, traditionally the center of political power, becomes part of the economy. Freedom is redefined in view of the change in the function and nature of work. To illustrate, let us just acknowledge that work is automated, or outsourced where labor is the cheapest. This simplified description begs to be completed by taking into account the new global scale of production and consumption. As we know, there are benefits to outsourcing and automation: lower costs and higher profit margins because the product is thus rendered more affordable for the consumer. Disadvantages include devaluation of the human being: unemployment, loss of well-paying jobs, lower self-esteem, and increased dependence on social redistribution.

The production and reproduction of capital entails the making and remaking of the human beings involved in economic activities. Of course, mining for coal or laboring in a steel mill or a textile mill implies a different cycle of reproduction than does that of rapping, writing a blog, running in a marathon, walking someone's dog, peddling drugs, or dealing in hedge funds. People, whether they work or not, need to eat, get dressed, and be sheltered. They all undergo some form of education; they all have increasing wants and desires. The unemployed, after exhausting earned benefits and private resources, often end up on the "payrolls" of public institutions or charity organizations. So do those who, for whatever reason, no longer see meaning in any form of work, or in any form of reproduction—of their productive abilities or of their miserable condition. Inheritance creates yet other forms of parasitism, less dependent on government, but by no means less questionable.

What is reproduced by those who no longer have the opportunity to render productive or any other form of work? The human condition shaped by such experiences—and this is characteristic of post-industrial capitalism—is marked by a paradoxical development: extreme self-centeredness (called "individualism") is traded at the price of self-determination. The increased inability and lack of desire of a growing number of people to give meaning to their existence beyond satisfying their wants is reflected in both submission and opportunism.

Wealth, no longer produced according to Adam Smith's model, is the result of speculation—often entrusted to machines. Capital itself becomes a commodity.¹²⁰ So does political power, traded in the stock exchange of polls and lobbies. Even freedom turns into a commodity. Americans buy as much of it as they can afford. In order to meet the extremely high output of the automated production of goods, money is created in speculation and extended into credit. For each "real" dollar covered by value created, hundreds, if not thousands, are made available for the sole purpose of consumption. Recently, real estate-backed credit (all those easy to close mortgages that pushed up the prices of homes) was presented as an investment opportunity. When the speculation could not keep up with the speed of transactions, a recession occurred. Profits had reached new highs, benefiting those on the "safe" side of the wealth fence. The stupidity generated by the system guaranteed that the losers would be those on the wrong side. The process continues unabated.¹²¹

120 Kristof, Nicholas D. "A Failed Experiment." *New York Times Online*. N.p., 21 November 2012. Web. <http://www.nytimes.com/2012/11/22/opinion/kristof-a-failed-experiment.html?_r=0>

121 Partnoy, Frank, and Jesse Eisinger. "What's Inside America's Banks?" *The Atlantic*. N.p., January-February 2013. Web. <<http://www.theatlantic.com/magazine/archive/2013/01/whats-inside-americas-banks/309196/>>

One aspect is still missing from these preliminary considerations. In the era of industrial capitalism, to reproduce working abilities meant, in addition to maintaining physical abilities, acquiring a relatively stable set of skills, and keeping pace with change. In the post-industrial world, change takes place at a rhythm that makes keeping pace impossible. In the blink of an eye, a person can turn from being useful and successful to becoming obsolete. “Windows of opportunity,” in terms of skills, are short and difficult to predict. The next algorithm for speculative high frequency trading might be in place for a day, a week, a month at most. A new program (one of many) has already been tested as a replacement. The same “high frequency” rhythm affects success in entertainment, fashion, medicine, and everything that people readily consume.

A new condition— discontinuity—has already emerged. It affects laborers as it affects capitalists. Instead of permanence—laboring for a business, or running a business a whole life long—there is a sequence of bursts. The business lasts for the duration of the cycle of innovation; so does the need for the corresponding labor. Going bankrupt (or being taken over and disposed of) is part of the business plan. Once investors have their money, there is little interest in continuing an enterprise. It’s like returning to the age of hunting: opportunity overrides continuity. The graduates waiting on restaurant tables or flipping hamburgers are part of this development; so are taxi drivers with college degrees (some of whom were speculators or traders not so long ago). Competition brutally eliminates whatever cannot keep pace with change. This is how the vast majority of the labor force is relegated to a condition of inadequacy and dependence. Over time, the human condition itself changes to the degree that individualism (“I am free to do whatever I want”) turns itself against the individual (“...even if it ends up hurting me”). The consequences of doing what one wants in disregard of consequences (for oneself, for others, and for society) are not slow in manifesting themselves. This is how stupidity is produced and reproduced at larger scale.

This introduction to how stupidity is generated, stimulated, and reproduced in post-industrial capitalism does not relate to mere incidental expressions of stupidity. The focus of this dualistic view is on a *new human condition*.

Yielding Liberty

The production of stupidity is by no means an American patent. Post-industrial capitalism, with which it is associated, is global. Many deplore the Americanization of the world without understanding that it is not just skyscrapers, jeans, Coca-Cola, and the like that are to blame (or cherish). The

new human condition is the culprit. The surrender of individual sovereignty for the right to partake in abundance is spreading around the globe. “We are all Americans”—the polite slogan of solidarity with the USA right after the destruction of the World Trade Center on 9/11—rings more true than realized by those who issued it.

The most general description of “stupidity” is probably the most conclusive: it is trading political rights, in particular self-determination, for the expectation of abundance, without asking at whose expense the trade takes place. Stupidity-driven action is detrimental not just to those performing it (for example, by taking drugs, spamming, making dubious investments, advocating no-holds-barred gun “rights”), but also to others: family, friends, acquaintances, community, society. Stupidity always takes for granted that someone else will deal with the consequences should the outcome be anything worse than the illusion that is driving it.

The evolution of Americans from self-reliance and belongingness to the self-centeredness of commercial democracy, including a mindless sense of entitlement, illustrates the process. Sovereign individuals cede political power in exchange for what they can no longer achieve in order to satisfy ever-higher expectations. Jefferson somehow had an inkling of this: “The natural progress of things is for liberty to yield, and government to gain ground.”¹²² He did not realize that government itself—the winner in his concept—would ultimately surrender to the economy, instead of mastering it for the good of all. The “right” of individuals to their slice of the ever-growing economic pie takes precedence over everything else. “Freedom” loses its social and political dimensions. It mutates into the liberties characteristic of the *homo consumens*.¹²³ Shopping (an addiction for some people, leading even to violence) requires more time than any other activity. The old question, “Do we live in order to work, or do we work in order to live?” is replaced by “Is shopping all there is to life?” For many, the answer is affirmative.

No Free Lunch

Industrial capitalism could prosper—as it indeed did—by gradually increasing the purchasing power of those it employed and making them, through investment, part of the system. Capital sovereignty extends pension plans, individual retirement constructs, and speculative investment to more and more Americans. This allowed the population to partake, through

122 Jefferson, Thomas. *The Papers of Thomas Jefferson*. Vol. 13. Princeton, NJ: Princeton University Press, 1950. 208-209.

123 Fromm, Eric. *On Disobedience and Other Essays*. New York: Seabury Press, 1989.

consumption at the scale of the production of money, in the outcome of the economic system. Markets were reproduced at larger scale. Post-industrial capitalism is based on new forms of sovereignty corresponding to the transition from land and labor to industry and capital speculation. Therefore, the system is focused on trading economic opportunity for political power. The switch is from the physical (land, machines, factories, products) and the associated power structures, to the virtual, or rather to the informational.

Sovereignty is transformed again when it is exercised primarily over information. Power is exercised through seduction, not through coercion. To buy back the shares in political power from the sovereign individual through redistribution of some of the wealth is more convenient than triggering class conflicts. Therefore, those social programs intended to alleviate the unavoidable consequences of the crises of industrial capitalism have become a fixture. Capitalism does not pay for the programs, but it profits from an interesting shift: in industrial capitalism, individuals paid for the reproduction of their own productive abilities. In post-industrial capitalism, the costs are aggregated through the mechanisms of taxation and redistribution. Individual responsibility is suspended. Expectation drives the economy.

The process began when the conflicts immanent in industrial capitalism led to confrontations. For example, as workers demanded, and eventually won, better working conditions. The national income tax was imposed (to cover the growing cost of government).¹²⁴ The very high number of unemployed during the Great Depression was tackled by government programs enacted to put people to work, feeding the economic engine and allowing for increased taxation. Social Security was legislated. Later, Congress passed the “Fannie Mae” and “Freddie Mac” programs, getting government into the real estate business. They guarantee loans to those who wanted to buy a home (i.e., maintain economic growth) but were ineligible under the traditional programs that banks offered. Farming was subsidized. Savings accounts were insured. After World War II, the government funded the building of national highways. Various welfare programs were initiated (e.g., food stamps, housing

124 The 16th Amendment, passed by Congress in 1913, introduced the permanent national income tax and established the Federal Reserve. The role played by the federal government in the economy (provider of goods, redistributor of income and wealth, mandated welfare programs, education, lending programs, military, foreign involvement, etc. and the respective bureaucracies) has steadily increased in the 100 years since adoption of the amendment. See: Thomas A. Garrett and Russell M. Rhine, “On the Size and Growth of Government,” *Federal Reserve Bank of St. Louis Review*, January/February 2006, 88:1, 13-30.

projects for the very poor). The “Great Society” was declared. Medicare and Medicaid were established. The goal of paying through taxation for crises was transformed to initiating social programs with an economic impact. In reality, these initiatives should have been called “Programs for Expanding the Market and Making Government Work for Capitalism.”

In post-industrial capitalism, the sovereignty of individuals, as well as of nations, is undermined in the global economy. The nature of sovereignty does not correspond to that of freedom and opportunity, as affirmed in the early history of the USA, but to that of profits. All the measures adopted over time involved both of the so-called political parties. Nobody objected to the implicit socialism of Johnson’s Great Society. (During the 1964 presidential campaign between Johnson and Goldwater, it was said, “With Goldwater, it’s bread and water.”) The need for ever-larger markets, however, exceeded even the aggregated means. And since “There’s no such thing as a free lunch,” a rapid accumulation of moral and political debt has accrued since 1964. As ever-less-sovereign individuals, no longer able to reproduce their productive and consumption abilities, were *bought* into the fold of public programs, two processes were triggered: first, a large number of Americans became dependent on the government (that is, on those holding the political power); second, in transferring some of their responsibilities to those in power, America as a project in freedom became irrelevant to them.

In short, Americans have financed their own dependence on the government while celebrating the freedom to do so. Consequently, Americans grew complacent. They no longer took care of what once were their own obligations within the American project: family, children’s education, community, the effort to extend true equity and equality. The oft-proclaimed “melting pot” was actually an arena of deeply seated incompatibilities. In our days, there is more potential than ever for conflict among Whites, Blacks, Browns, and Far-East Asians; among the very rich, the rich, the poor, and the very poor; among heterosexuals, homosexuals, transsexuals; among the educated and the ignorant, the religious, irreligious, agnostic, secular, Catholics, Protestants (in all possible denominations), Jews, Muslims; among men, women, the young, middle-aged, old, and very old; among labor unions and “right-to-work” states, gun rights advocates and those advocating limiting “the right to bear arms,” supporters of drug legalization and those against it; among Democrats, Republicans, Tea Party activists, Libertarians, fascists, communists, and Aryan Nation activists. The fuse burns shorter and shorter. Explosions (e.g.,

the siege of the Branch Davidians in Waco, Texas in 1993; Oklahoma City bombing in 1995, the mass shootings that happen around the country) take place from time to time. One day, a real explosion, affecting the whole nation, could occur.

Human Obsolescence

Within industrial capitalism, the reproduction of the worker's ability implied the reproduction of family, community connections, dedication to education, and a sense of the future. In post-industrial capitalism, these values are less relevant to the reproduction of the employee's abilities to contribute to the reproduction of capital. The time and money that used to be dedicated to future contingencies were redirected to consumption. The market must expand; otherwise the economic system will collapse.

Thus, post-industrial capitalism, with which automation is consubstantial, turned everyone into an accomplice to its obsession with higher profits at any price. It renders superfluous the traditional understanding of "human labor." Very few qualified individuals are still necessary to facilitate production processes. In the absence of what is called productive work (making things or growing things), service expanded: medical care, education, training, banking, entertainment, maintenance, cybersecurity, etc. These services are exactly what the government, as a large market player, controls through its various programs. An enormous gain in productivity—500 times higher than in industrial capitalism—explains why. Americans are still able to enjoy a prosperity of which their ancestors never dreamed. Markets were expanded at public expense. Few other countries in the world have a comparable standard of living, mostly because few can afford to live at someone else's expense. Within the European Union (more precisely, the Euro Zone i.e., where the Euro is the currency used), Greece tried; so did Italy and Spain, to a certain extent.

At the same time, Americans are more disconnected from political life than ever. They gladly delegate sovereignty to the system. In return they expect nothing but the next dose of the illusion of liberty: with flag-waving, fireworks, and patriotic slogans. Prosperity does not foster solidarity. Neither does it inculcate a sense of responsibility. Giving up freedom for convenience is the end result. Contrary to the demagoguery of those in power, civic responsibility has not improved as affluence increased. Freedom suffered the

most as Americans gave up democracy and accepted oligarchic plutocracy as their form of government. Political power has been irremediably traded for an elusive condition of never-ending indulgence through consumption. As a consequence, skills associated with productive activities have been rendered obsolete. In particular, lingering unemployment disqualifies even those who used to be qualified. The so-called middle class is being squeezed thinner. Some became the new rich; others were forced into the poorer class.

A 2009 study details the various parameters of freedom in the 50 states. It comes as no surprise that in America-the-Economy freedom is not equally experienced. But it is quite surprising that, over time, the overall freedom of Americans has not increased. Rather, the curve of apparent prosperity seems to reflect in the reverse curve of inequity and lost liberties.¹²⁵

All this is the result of the process of conditioning the human being into stupidity. It is a characteristic of post-industrial capitalism expressed as excessive focus on the self and disregard for others (family, society, community). It is as though Ayn Rand's oft-demonized philosophy of individualism (of which Libertarians are so fond) were not so much a prophecy as a description of an inescapable state of affairs. It is manifested through satisfying expectations driven by the lowest instincts (tribal in nature, often more animal than human).

The production and reproduction of human obsolescence is accelerated by the nature of activities in the age of computation and digital interaction. In the industrial model, the reproduction of the human being occurred in the rhythm of the activity. Most people had to labor for long hours (ten to twelve, if not more), with very little, if any, time off. Once a worker learned a skill, it was expected to last a lifetime. Certain abilities expected in the laboring effort were difficult and time-consuming to replace. In the post-industrial model, the acceleration of production and reproduction is reflected in an extremely fragile human condition. Automated production lines replace the efforts of hundreds and thousands of workers. Turnkey facilities can be remotely started and stopped, as the market of "just in time" dictates. The enormous multiplication of outcome affects the human condition even more: dependencies are deepened, risk is augmented, and choice is expanded at dizzying speed.

125 Ruger, William P. and Jason Sorens, *Freedom in the 50 States: An Index of Personal and Economic Freedom*. Arlington, VA: Mercatus Center, George Mason University, 2009. 64.

“What’s Good for General Motors Is Good for the USA”¹²⁶

There is definitely merit, and proof of the USA’s vitality, in the post-industrial capitalism of start-ups. Silicon Valley became the paradigm of the information society—the Mecca of information sovereignty. Once upon a time, the automobile made a great impact on the country. Detroit (and the vicinity) was paradigmatic of an unprecedented human condition: mobility through the power of the internal combustion engine. America and the world changed.

The parallel with the automobile industry deserves attention. Together with mobility—which was of impressive economic, social, and cultural impact—dependence on the automobile grew to affect the American lifestyle and the physical profile of Americans. Computer-based technologies, in our days identified with the Internet, embedded sensors, and mobility, are again changing society and its members, as well as culture and the economics of life. This is an American success story with global impact. It is definitory of post-industrial capitalism insofar as it made financial speculation even easier and faster. It also created circumstances leading to work being performed by machines rather than human beings. That is, it has led to the obsolescence of a large number of people.

Information became a commodity of relevance comparable to all other commodities on whose availability the living standard of Americans depend (oil, in the first place). As a successor to the human being as the dominant information-processing entity, the computer can, of course, enhance human performance. Moreover, it can entirely take its place. Demonization of the car and, later, of computers could not stop their proliferation—and even less affect the manner in which they have shaped a new human condition. The enormous increase in productivity is just one aspect. Of course, this increase is extremely relevant in respect to prosperity. It took a long time for the car to become a fixture of American life (and the life of people around the world). It took a much shorter time for computation to become embedded in the life of Americans. The car produced many kinds of dependencies. Together with refrigeration (now blamed for obesity because every home can store fattening foods) and television (giving rise to the inactive “couch potato”), it had a negative effect on the human physical condition. Drivers, obese and less able and willing to move, are less sensitive to their social and cultural environment. The auto-centric American culture is part of the physical and social decline of

126 Charles Erwin Wilson, former CEO of General Motors and Secretary of Defense under President Eisenhower, meant by this statement that the country should be run in a manner consistent with a strong and healthy national economy.

the individual induced by industrial capitalism. Dependencies connected to the cult of the private car are part of the record of environmental changes that continue to affect everyone.

Computation further supports the automation of work. But it primarily automates functions of the human mind.¹²⁷ There is much to celebrate in the performance of mind-substituting machines: overall productivity increases by several orders of magnitude. However, like drivers no longer able to walk around the corner for a cup of coffee or a quart of milk, individuals—no longer engaging their mental capabilities because the computer calculates better and faster—end up in the wheelchair of rational ineptitude. Somebody else or something else takes over not only their arithmetic, but also their daily decisions. More time becomes available for the next game, the next TV program (watched as they drive or while they eat), the next sexual encounter. Living in the reality of what is on the monitor—from TV to smartphone—reality itself appears to them as alien. The right to partake in the abandonment of life in favor of the inconsequential virtual has become an entitlement. Sovereignty over one's own information is relinquished in a cavalier manner.

“Up-Starts”

The process reflects the dynamics of post-industrial capitalism in which only the economy of large numbers can engender the higher profits expected by the ever-faster movement of capital. This also explains why the Silicon Valley of the geeks and quants positioned itself not only as the Mecca of the digital revolution, but also as the new political powerhouse. In America's political tribalism, sovereignty over information is much more profitable than is that over land, labor, machines, factories, or even markets. The wealth generated has affected political processes above the scale at which Wall Street and Hollywood exercise their influence.

Less obvious is the fact that public money made it all possible. Indeed, behind the miracle of silicon and entrepreneurship is the federal government, the military, in particular. Without this large market, Apple, IBM, Microsoft, Google, and Oracle (to name only five of the successful survivors of cutthroat competition) would not have made it. And they did so with little or no risk. Mediocre products were bought and periodically brought up to date with public money. None of these successful players—the billionaires and multimillionaires—has returned a share of their profits to taxpayers, who

127 Norbert Wiener warned about the consequences of this process in *The Human Use of Human Beings*, New York: Riverside Press, 1950.

funded them in one way or another. Quite to the contrary: they avoided paying taxes through every loophole the tax code allows. “That’s the capitalist way,” they say, even though state socialism is behind their wealth.¹²⁸ Not one computer company would assume responsibility for the manner in which they contributed to the changes that so deeply affect the average cognitive, emotional, social, and physical profile of the people. Not only Americans, but around the world.

Behind the success of the automobile—240 million vehicles and 20 percent of retail sales—are the 46,000 miles of highways, for which taxpayers, not the automakers, paid. Behind the success of computers is the Internet, the data highway in which the military invested public money. Even today, most of the computer industry’s output is acquired through the government.

To see the connection between stupidity and profits made on its account is to connect the dots. The facts are there. Software delivered to government agencies rarely works as promised, and usually costs much more than what was budgeted. The process continues. For example: Facebook’s initial public offering generated at least 1000 new millionaires. That is the good news; talent and hard work are rewarded (sometimes well beyond the value to society). The less than good news is that, like their peers at other successful companies, they will never be interested in anything beyond their own prosperity—reproduced within the production and reproduction of capital. To get talent, no expense is too high. Talented hirees expect not only salaries, bonuses, and company shares, but also the best food. Being the company with the best chef is now more important to Google and Facebook than being the company with the product less affected by bugs and more useful to users. The public pays because it surrenders to those owning sovereignty over information.

Facebook is part of what was identified as Web 2.0, that is, the worldwide web graduating from first to second grade. The public relations message is clear: new, more personal forms of human interaction are now available. Direct interaction becomes of secondary importance and is no longer relevant. The question that cannot be avoided is one of moral responsibility. Interaction mediated through technology affords convenience, efficiency, and a plethora of

128 Google’s tax avoidance is called ‘capitalism’, says chairman Eric Schmidt. “It’s called capitalism,” he said. “We are proudly capitalistic. I’m not confused about this.” He also admits, “I am very proud of the structure that we set up. *We did it based on the incentives that the governments offered us to operate.*” [italics added] *The Telegraph*, 12 December 2012. <<http://www.telegraph.co.uk/technology/google/9739039/Googles-tax-avoidance-is-called-capitalism-says-chairman-Eric-Schmidt.html>>

new applications (some otherwise unimaginable). But it also further influences the profile of those who “interact.” Face-to-face interaction is cognitively and emotionally different from one that takes place via a smartphone. Direct interaction engages those present in their entirety. Mediated interaction, as effective as it can be in extending the number of the people connected, involves different aspects of human behavior and results in the continuous weakening of the social fabric. Friends on Facebook no longer know what empathy is (whether they knew it before social media is an open question). Suffering, if not censored away, is only a line in a message. Some “Like” it (thumb up); others don’t; the majority ignores it. But they all have tens and hundreds and even thousands of so-called friends. Wow! You can crash a party, and even post a photo of your naked girlfriend, without even asking for permission.

In short: for all these “friends” it is an exciting endeavor, offering opportunities not available otherwise. But it is not without a price. As research suggests, those involved lose the cognitive ability to deal with anything larger than the minimum of information that is exchanged. Their choices are informed by menu selections; attention span is compressed even more. Rich, open-ended human interaction is replaced by a closed world in which transitory options stand in for values. Identity, as an expression of self-awareness and sense of belongingness is traded for virtual presence—under a real or invented name, image, and set of preferences. Privacy is further traded for the tickle of exposure, and the hope of being noticed.

The Reproduction of Stupidity

In the mid-1980s, when the computer was beginning to have an impact on daily life, two friends had this exchange: “Boy, what a shame we didn’t have computers when we were in high school.” His friend retorted: “So we could make Cs even faster?” This young man did not know how prophetic he was.

The new millionaires that Facebook generated are driven by the business plan and the menus in the company’s free restaurants (the usual menu lists truffles, caviar, and T-bone steak). For all practical purposes, they really do not care for the hundreds of millions of “friends” interconnected through choices informed by their own stupidity. The identity of these friends—some fictitious, created by programs meant to deceive—can be characterized as a vacuum to be filled with what real life no longer offers. This is what makes Facebook, together with other social networks, a product: a collection of addresses, consumer profiles, and conduits for delivering messages of consumption. The consumption of political messages and mindless entertainment (as though

there were not enough television channels already offering them) is part of it. This is how information sovereignty is established: those stupid enough surrender their sovereignty for the price of yet another vacuous experience. Products such as Facebook, Twitter, Google+, Yahoo, and Xing are “free” only for those not able to figure out that the price extracted translates into the immense profits of post-industrial capitalism.

The production of stupidity, a consequence of surrendering thinking, is extended to ever-larger reproduction, at the scale of the global economy. Of course, social networks are by no means the only form of reproducing and spreading stupidity. There are hundreds of similar innovations competing for a piece of the ever-growing virtual pie of opportunities. That is their right (and opportunity). There is no reason to cast blame on anyone in particular. Stupidity, as an outcome, is systemic, not a matter of individual shortcomings—even though, at the scale at which social media proliferates, it might cause many to worry. It’s not enough to state that social media users “have higher levels of total narcissism, extraversion, exhibitionism, and leadership” than non-users.¹²⁹ Designing Facebook, or any similar environment, in the absence of understanding its impact on making people more stupid raises issues of responsibility. The FDA is supposed to evaluate the consequences connected to the use of new drugs. Nobody (or very few) has ever evaluated the many consequences of the technologies and methods that change the way in which we live and interact. As part of post-industrial capitalism, digital technologies reproduce only their definitory characteristics, not their impact on people and on the economy.

The economic elite disempowers individuals as they reproduce their own privileged positions. Social and political responsibility is secondary to economic success. Take flash mob riots, or *flashrobs*—too many to list—and check them against the records left on Facebook, Twitter, LinkedIn, and so on. Perpetrators boast of their destructive acts—breaking, burning, looting—corroborating them with photos (so that their “friends” can admire them, of course). Selfishness and egotism inform their decisions. Skewed judgment, generalized over their entire existence, is detailed online. The passivity of bystanders is on record, as well. These are the same “friends” (who really don’t know what friendship is) documenting alcohol and sexual excesses, sperm parties, and urine (as “natural champagne”) toasts. They want to

129 Ryan, Traci, and Sophia Xenos. “Who uses Facebook? An Investigation into the Relationship between the Big Five, Shyness, Narcissism, Loneliness, and Facebook Usage.” *Computers in Human Behavior* 27:5. September 2011. 1658–1664. Print.

be seen; everyone seems to be staring through the peephole of generalized exhibitionism. This is narcissism in pure form—like the narcissistic image that America projects in the world. Asocial behavior is not just accidentally displayed, but is encouraged and justified.

Facebook, Twitter, *et alia* are by no means prototypical. But the outcome is the same: generation after generation becomes increasingly disconnected from its political identity, giving up power for the convenience of an easier life, without any sense of responsibility. The fact that the rest of the world is rushing to copy all of this does not justify it. Rather, it points to the global nature of a process that was triggered in profit-obsessed America.

Of further significance is how post-industrial capitalism promotes its methods for maintaining profits. Students are schooled for the opportunities of social media. College courses in history and geography via Twitter are promoted as innovation and supported through grants. Discussion is out, replaced by messages of 140 characters. At the other extreme, the massive open online courses (MOOCs) are spurred by the pressure to increase productivity by expanding the scale of education. The magic of the McDonald's, Walmart, and Home Depot model that the MOOCs apply—high volume at discount prices—overtook the old ideals of one-to-one interaction between teacher and pupil. Before an understanding of what is taking place and what the consequences are, the business called education places a prize on doctoral degrees in Facebook expertise, and those in power have already hired their “Facebook Coordinators.” Somebody has to convince the people that those in power are in sync with the new. Transaction capitalism generates these sequences of profitmaking activities and delivers the demagoguery to justify them.

The USA entered the age of the “Twitter presidencies” and “Springs” of all kinds, in which the “heroes” are the medium, not the message. The new technologies, especially the image technologies and social media, give rise to euphoria—tweets from Tahrir Square, videos sent via YouTube and iPhone from Syria. After all is said and done, however, not even the self-congratulatory computer industry can guarantee that the outcome will not be a step backward. There is no diabolic plot (although many “devils,” such as al Qaeda, use the same technologies) but rather the new manifestation of a social contract based on the premises of post-industrial capitalism. The production of stupidity ensures its own reproduction.

LEARNING TO LIVE WITH HUGE NUMBERS

There is no learning from the past. Obviously, such a statement will not go unchallenged. We have entered a fundamentally new phase in the evolution of humankind, in which the past is only of historic, i.e., documentary, significance. People are involved in new practical experiences that no longer build on what their forebears used to do. For example, information processing and genetics drive today's agriculture. A computer program controls a seed drill and the combine so that seed, fertilizer, and harvesting become a data-processing operation. The future hamburger begins as cell multiplication in a vat. Industrial production is even more drastically different from what the factories of the Industrial Revolution once represented. Automated turnkey processing facilities are easy to readjust in comparison to human labor on a rigid hardware assembly line. 3D printers can fabricate almost any object. Robot activity replaces human work.

Everything we do today—still the beginning of the digital age—has ceased to be in continuation of the past. Medicine continuously reinvents itself; so does science. Art explores new sources of expression. The transitory is chasing away the obsession with permanence. Education has severed ties to the chalk-and-talk (or PowerPoint) frontal lecturing model of knowledge dissemination. Teachers are no longer viewed as the conduit of permanent knowledge. Freed from constraints of the past, learning is becoming interaction. Stimulated by educators acting as catalysts, learning reflects the transitory nature of knowledge and skills.

The increasing irrelevance of the past in current work, entertainment, family life, and much of human activity is striking. Those who do not understand this waste human resources.

Moreover, those unwilling to accept the discontinuity between past and present should consider the ever-faster succession of crises in the USA (and, by extension, in the world).

Next Crisis, Please!

If the more rapid succession of crises were only a narrative in a book, no reader would care. Associated with ever-higher actual numbers, however, they reveal worrisome circumstances, and indicate how the scale of economy has changed. To be a millionaire—a qualifier of wealth and success—was a big deal after World War II. Billions are now the new normal; trillions, cited more in relation to debt (and high-stakes gambling and speculation) than anything else, are the measure of inadequacy that the USA has reached. Regardless of differences among them—savings and loan, dot.com, and sub-prime mortgages—crises testify to breakdowns that are systemic in nature. They are also expressions of the perennial human unwillingness to consider opportunity in relation to the risks involved. Crises, opportunity, and prosperity are as much an outcome of the capitalist system as is the human condition it shapes.

In the year 2000, seven trillion dollars of wealth just vanished in the dot.com debacle. In what is still called the “sub-prime mortgage crisis,” another twelve trillion dollars went up in smoke. These lost dollars represent accumulated capital upon which people’s investments, retirement funds, medical care, and children’s education depended. “Impotence” is a mild term in relation to the reaction of average Americans upon hearing about all these losses. Neither liberty nor the desire to seek political redress were expressed during these breakdowns. The Occupy (somewhere or some street) movement was rather an exotic exception. Nobody understood what the Occupiers wanted. Young as they, in their majority, were, they let out steam and had a good time. The poor became more miserable; the average American entered an economic limbo; but the rich increased the value of their assets. Globe Scan, a market research firm, recently found that 58 percent of Americans believes that the rich deserve their wealth.¹³⁰ “People don’t necessarily want to take money from the wealthy, they just want a better chance to get rich themselves.”¹³¹

Liberty is a political attribute. The exercise of liberty is a test of civic responsibility. Actions from which everyone benefits are social in nature. To claim and to exercise liberty only for one’s own economic reward—“I want to be as rich as the rich are”—disregarding others (sometimes to their detriment) qualifies as stupid. Almost all of the crises mentioned above became opportunities for bottom feeders. The deeper the crisis (consider this last Great Recession), the higher the return, and the greater the number of people negatively affected.

130 Rosalsky, Greg. “Poll: 58 Percent Of Americans Believe Rich Deserve Their Wealth.” *Huffington Post*. 11 July 2012. N.p., Web.

131 Kohut, Andrew. “Don’t Mind the Gap.” *New York Times*. 25 January 2012.

Just for the record, here is a short rendition (i.e., a narrative) of how America-the-Economy hopped from one financial breakdown to another. A graph could plot the parallel curve of Americans' growing stupidity, i.e., willingness to play the lottery of success, instead of ascertaining their freedom. Under conditions characteristic of settler life, opportunity and risk were carefully accounted for. Risk was not to drastically exceed opportunity: maybe at the order of numbers as small as 2, 3 or 4. A ratio of 10:1 between what one could gain or lose was considered much too risky. Survival implied skills and social instincts. A sense of civic and community solidarity (which should never be idealized) marked the nation's beginnings. The settlers were not socialist by any means (who was, at that time?), but they realized that without the ability to rely on each other, the task of settling the land was too daunting for an individual or even a small group to handle. As the new land was being colonized, the British could not succeed without giving the settlers a say in their destinies.

In 1619, Virginia elected a General Assembly. (The election date is considered the beginning of democracy on the new continent.) Incentives to work hard and a framework for profitable investments succeeded much better than any attempt to coerce. The "head right" system gave each male settler fifty acres of land; an additional fifty acres was allocated to each other family member. It is no wonder that economic progress made the colonies a success story.¹³²

As America-the-Economy (of the "united" thirteen colonies) opened opportunities, risks started to be underestimated. Americans competed not only among themselves, but also with Europeans, eager for access to the enormous resources of the virgin continent. The first crisis on record is the Panic of 1873—rarely mentioned, but of extreme significance. It was the time when the cities of Vienna, Berlin, and Paris were built on credit, as land prices climbed ever upward. The economy on the old continent was in rather poor shape. Americans started their commercial offensive by offering cheap wheat, kerosene, and manufactured goods to Great Britain, West Europe, and Russia.

Let us recall that at that time, America used to make everything that people needed at home and abroad. Moreover, national debt—originating with Hamilton from the Revolutionary war—was still minimal. Just for the sake of analogy: America was to Europe what China is to America today. Banks in Europe started to fail; a mortgage crisis undermined interbank borrowing. In

132 For details, see Daron Acemoglu and James A. Robinson, *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*. New York: Crown Business, 2012.

1873, the American economy experienced the after effects: railroad ventures could not live up to their promises to investors. During the ensuing four years, those manufacturing companies that were successful enough to have the necessary capital reserves swallowed the competition at fire-sale prices. Unemployment went as high as 25 percent. Europe suffered even more. Financiers realized that the center of the credit economy had shifted to the USA. Since those days, almost all the crises the world has experienced have started on the western shore of the Atlantic. And they have all been followed by public declarations of “Never again!”

Woodrow Wilson, the 28th president of the United States, had to contend with the aftermath of the economic crisis that occurred in 1907. He wanted to make sure that “Never again” would banks be masters of business and individual enterprise. Their role was limited to their original lender charter. In 1913, the 16th amendment to the Constitution created the Federal Reserve. The USA still had a positive trade balance, and debt was low. Some years later, Franklin D. Roosevelt had to articulate yet another “Never again” (in his Fireside Chat of March 12, 1933): “Your government does not intend that the history of the past shall be repeated. We don’t want and will not have another epidemic of bank failures.” In the 1930s, almost 10,000 banks failed. A great number of individuals lost the little they had in their bank accounts. In practical terms, insurance on deposits, through the Federal Deposit Insurance Company (FDIC), was instituted. More importantly, investment banking was disconnected from consumer banking (the Glass-Steagall Act of 1933).¹³³ The risk on a deposit in the bank was by some order of magnitude (still smaller than ten) lower than on investment. This marked a time when Americans accepted, more than in the past, a higher degree of dependence on the federal government. This registers the first significant increase, expressed in welfare programs and entitlements (such as Social Security), on the graph of economic breakdowns associated with stupidity. The fragility of the welfare state, however, is not an American discovery. It shadows developments going back to the Roman Empire.¹³⁴

After WWII, a few less than earth-shaking crises came and went, up until the Savings and Loan debacle of 1989. By then, America had already started importing more than it exported. The old American ideal of having the world as its market had been replaced by America’s becoming everyone else’s

133 The Glass-Steagall Act separated commercial and investment activities in banks.

134 Cabales, A., R. Nagel, and J.V. Rodriguez Mora. “It is Hobbes, not Rousseau: an Experiment on Voting and Redistribution.” *Experimental Economics*. June 2012, 15:2. 278-308. See also: <http://www.sevirodriguez.com/HobbesRousseau.110808.pdf>

market. The American labor force became too expensive, even for Americans. The illusion of prosperity at all cost can be dated to 1971, the year of the first negative trade balance, exacerbated by the sharp rise in oil prices in 1973. The rate of national debt growth accelerated—almost twelve percent a year. These are, of course, higher numbers, but “million” was still adequate as a measurement stick. President Bush (the first of the dynasty) instituted the Office of Thrift Supervision, and declared the next “Never again!” “Never again will America allow any uninsured institution to operate normally if owners lack sufficient tangible capital to protect depositors and taxpayers alike.” In other words: Protect the increasing stupidity of individuals who are taking higher risks under the assumption that society (through the government) will bail them out. The bailout (in inflation-adjusted numbers) was only 209 billion dollars. Yes, the new scale of breakdown had become “billion.” Since 2008, and especially after the inauguration of the 44th president, “Never again!” returned in full force. The government’s bank bailout was expressed in a commitment of 7.4 trillion dollars, well over half of the GDP. For the rich, the risk was socialized to the extent that speculators who failed received their million-dollar bonuses (through the federal government, of course) from the very people—taxpayers all—whom they ruined.

In thirty years, the scale had changed from mere millions to trillions (inflation notwithstanding). Today, the trade balance is the worst in history; America’s accumulated debt is well over the GDP. But experts continue to debate “Keynes or not,” instead of addressing the systemic aspects of these faster succeeding breakdowns. They don’t realize that Keynesian medicine (in which the government compensates for market deficiencies) corresponded to a scale where it was possible to intervene in the economic process. In addition, it assumes that politicians know better and act in the people’s interest. This is no longer the case at the level of a trillion, and especially after politics became a business. At this level, saving an economy is no longer a matter of one nation-state, but requires worldwide involvement. Trying to steer at this scale (an economy of huge size and high speed of change) is like trying to steer out of a skid in a very big car you just can’t control.

Debt Is a Huge (and Profitable) Business

Every crisis leads to tighter regulation, but not necessarily enforcement. Just as every boom results in relaxation—let’s blow the balloon bigger! Under President Clinton’s watch, the Glass-Steagall Act was repealed, with the argument that it was no longer appropriate. The banking industry lobby

spent over 300 million dollars (big money back then) to have it dismissed. Consequently, some banks grew “too big to fail,” and Americans, by now even more dependent on the federal government, are paying for their own stupidity in the entire fiasco.

The past did not and could not inform a better course, with less traumatic events, even during the Industrial Revolution. Since there is actually no continuity from the past to this age, to hope that people can learn from it is delusional. Thus, it is irrelevant that Ben Bernanke, the current Chairman of the Federal Reserve (appointed in 2006) is an expert in the Great Depression. Actually, it is counterproductive. Applying Great Depression medicine leads to more dependence on the federal government. Easy money (the so-called “quantitative easing”) further erodes the need for Americans to exercise responsibility, instead of transferring it to those in power at the cost of keeping the price of debt low.

To make this point clear, let us briefly examine how business in general has changed since the mid-1900s. It used to be that in the economy called America, Wall Street—the name by which the financial system now goes—made available the capital, expressed in the US dollar, to new companies. After WWI, inventions related to the war (radio transmission and reception, refrigeration, a growing number of consumer products, etc.) became the new industries. This was a time when America produced consumers—in particular, by making credit available through installment plans.

Credit entails the multiplication of money on account of its faster movement throughout the economy. Credit also entails the illusion of owning something (e.g., TV, car, home) that actually belongs to someone else—usually a bank or other lending entity, that is, their investors—until the item is fully paid off. Easily becoming used to credit, Americans started to confuse illusion with reality. On credit they could afford what otherwise would be out of their reach, or for which they would first need to save. Credit encourages the economy of expectations as an alternative to that of needs. The fact that the price of credit affects the future of Americans slowly seeped out of their understanding, leading to yet another manifestation of stupidity. Those in power encourage Americans to live on credit because moving money generates profit (including their share of it).

Lending money proved to be more profitable than investing in increasing production. After WWI, consumption drove the economic engine. With high-demand production and a plethora of public works projects after WWII,

America succeeded in making the dollar the reserve currency of the world. Consumers were empowered to spend and spend since the world was able to fill their growing appetite, and the tax system subsidized borrowing.¹³⁵ These days, consumers make up 70 percent of demand. The dollar maintains its role of universal currency; this gives Americans the illusion of power. Cheap financing encourages the addiction to shopping and keeps China's factories revved up. Cheap financing also supports America's disputable policies in the world.

The USA started running trade deficits in 1971 (only 3.8 billion dollars, adjusted for inflation). This is the scaled-up story of living on debt. To avoid being called to the counter to pay debt with gold—until that time the legal tender for the dollar—Nixon removed America from the gold standard. Currency value began a course of fluctuations, like any other product subject to trade. Inflation affected the global economy. Two recessions (1975 and 1982) were followed by a concentrated effort to set up an exchange rate mechanism. By the end of the process, the USA was in the post-industrial phase where finance, insurance, and real estate replaced the substantially diminished production of many items “Made in the USA.” The value of the dollar decreased even more—95 percent since 1913, when the Federal Reserve was established. Today there is so much money in the world (mostly in debt form), with no connection to what it stands for, that the perspective of money becoming worthless again (as it became during the Great Depression) is not out of the question. Actually, it is unavoidable. Living with big numbers is like falling from the high skies of the huge amounts of money generated by post-industrial capitalism debt speculators. When it does take place, the fall can be only fatal.

The transition from manufacturing—involving capital and profit cycles associated with the boom and bust model of industrial society—to trading directly in capital and, by extension, in debt, presumes that you never produce too much. Accordingly, there is no reason to fear a crisis of overproduction. In respect to debt, however, this might no longer hold true. America-the-Economy was obsessed with cheap labor from its beginning—slavery being only a small part of how this obsession plays out. Cheap energy, cheap products, and cheap money belong to the same obsession. “Other people's money”—capitalism's successful formula—has become the rule of trade. Products from Japan, Germany, France, and Taiwan, and oil from the Gulf States, Mexico, and Canada are paid with IOUs called dollars, backed no longer by gold or any other

135 Surowiecki, James. “The Debt Economy.” *The New Yorker*. 23 November 2009. N.p. Web. <http://www.newyorker.com/talk/financial/2009/11/23/091123ta_talk_surowiecki>

tangible, but with words: “the full faith and credit of the USA.” In fact, “Debtor Nation USA”¹³⁶ is the place where credit card issuers make higher profits than Microsoft or Walmart.

Massive imports meant to satisfy American consumption are financed by foreign governments and by private investors (the oligarchs of Saudi Arabia, of the Emirates, of Europe and South America). This has generated a codependency that makes the world economy extremely volatile. Demand for cheap labor fueled an outsourcing frenzy to India, Bangladesh, Malaysia, and East Europe. Communist China discovered the opportunities of capitalism and started a vast program for improving the economic conditions of its citizens. It became the industrial base of the USA (along with other cheap labor countries). The more debt accumulated for financing American prosperity, the more unlikely it becomes that the holders of that debt will do anything to affect the value of the IOUs called “dollars.” Instead, they are using their rapidly accumulating dollars to buy assets in America. Foreigners have bought all kinds of financial instruments: bonds, stocks, and real estate, as well as the newer “products” of the financial industry that magically transformed debt and risk into more credit. Almost everything can be certified by rating agencies as “investment grade” for a fee. This was the money that Americans used to blow the real estate bubble bigger and bigger, and to buy, on credit, whatever China produced.

FIREd-Up Economy

Living off other people’s money, i.e., their work, has led Americans to feel entitled to more than what they need, and even more than what they should reasonably want. When expectations begin to replace needs and moderate wants, the desire for credit fires up. The volume of actual credit is expressed in trillions. In a successful capitalist economy, personal effort returns higher values than in an economy that equalizes effort and reward. Tight control stifles innovation—good or bad. It chokes opportunity. When everything is possible, moreover, when freedom seems unlimited, the freedom to consume creates the illusion of a personal right to limitless prosperity, a right that has become unhooked from the sense of belonging to something beyond one’s own persona. Belongingness to something that transcends the individual melts away in the euphoria of consumption.

136 Hyman, Louis. *Debtor Nation: The History of America in Red Ink*. Princeton: Princeton University Press, 2011.

America-the-Nation, the unified society, as an entity of reciprocal obligations of rights balanced by duties, failed to come about in the manner of traditional nation-states. Citizenship did not materialize as a code (written or understood) of reciprocal responsibilities and the expectation of civic duty. Sovereignty gave way to the illusion of “having a say,” even though no one listens. America-the-Economy materialized as the implicit promise of limitless opportunity. In post-industrial America, life is never-ending consumption. The only goal is to keep the economic engine moving at the fast pace of continuously changing expectations. This means that it must move faster and faster, driven by a populace that recognizes holidays—national and religious—as occasions for shopping or some other reason to spend money, especially the money it does not have. One of the least charismatic presidents (Jimmy Carter) voiced his concern over a human condition “no longer defined by what one does, but by what one owns.” The 1979 “Malaise” speech (as it was dubbed) was made after the oil crisis of 1973 began to bring out the ugly side of the American consumer. Carter, a mediocre politician, was derided for discouraging the only freedom Americans recognize as sacred: prosperity at no matter the cost.

In the post-industrial age, marked by the digital revolution, finance, insurance, real estate—all subsumed in the acronym “FIRE”—replaced the production of goods. The original America was prepared for the Industrial Revolution. The minimal political structure it adopted was quite well adapted to producing incentives for those seeking opportunity, not by maintaining the economy of the past, but by undermining it. Captive to the structures characteristic of industrial society (idealized as a golden age), however, today’s USA is missing the opportunity to be the adequate host for the developments characteristic of the post-manufacturing economy.

The excessive centralization of government functions and the dependence of very large segments of the population on entitlements have a high price. America has become less competitive than it used to be in the world economy. The service economy (subsuming financial, medical, cultural sectors, etc.) implies a different understanding of work. The global economy is actually in conflict with the nation-state. After refusing to become one at its inception, the USA now seems to be moving backwards, towards a condition that undermines its initial advantages. America simply does not know where it stands. Even as it fights its current wars as though they were the wars of the past, it would like to see a new world order established. Interdependencies of post-nation states would, of course, be better than conflicts among nation-states. But very often, the USA behaves like Greece (or like Rome in its decadent period, and

more obviously like the Soviet Union): instead of creating circumstances for engaging Americans in defining their present and future, she serves as their breast full of milk, even though the sucklings are past their adolescence. Mothers know: when babies start biting the nipple, it's time to wean them. Those in power in the USA are not prepared for this weaning period because they made themselves dependent on interest groups. The Greeks felt entitled to retirement at age 58, to two monthly salaries beyond the usual twelve, to free medical care, and the like, while maintaining a cavalier attitude towards taxes. The country has borrowed as though it felt entitled to the wealth of others. Americans of all "tribes"—the Balkanized political scene—act in the same manner. The Anglos, the Hispanics, the Blacks, the Jews, and the Muslims have their own interests. The political class knows what is best for its members. The USA as a whole is of minimal importance in their political games.

Within American post-industrial capitalism, of the post-nation-state economy, the notion of profit has changed fundamentally. More money is made from moving money around, in such ways (all legal, of course) that profit is not subject to tariffs or taxes. Instead of investing in production facilities, capitalists set off successive cycles of unbounded speculation. This occurred previously with the dot.com frenzy of the 1990s, when initial public offerings (the famous IPOs) valued, for example, at twenty dollars before trading started, reached ten times that amount by end of the first trading day. The big boys—the corporate insiders—were the first to have a shot at them, before offering shares to the small investor who also wanted to be like the big players.

Herd behavior, yet another symptom of stupidity, allowed banks to make insane amounts of money on IPOs.¹³⁷ In truth, the illusion of investment was played in the public arena against the background of speculation. The products did not matter in the equation of the market; what mattered was the game of maximizing profits and "hedging" the risk of failure. Companies were started not for producing something useful or desirable, but rather to be sold. When the dot.com bubble burst, the wake-up call was brutal. Even the most conservative investment portfolios (such as TIAA-CREF, one of the largest investment companies, investing monies mainly from people working in education) lost value, and pension funds had to readjust payouts in order to cover their losses.

137 In 1841, Charles MacKay described the "Popular Delusions and the Madness of Crowds": "Men...think in herds...they go mad in herds [...] while they recover their senses...one by one."

Speculation in real estate—homes, shopping malls—replaced speculation in digital technology. In order to raise the necessary capital, the market came up with a miraculous financial instrument called “securitized debt.” Provided that interest rates were kept as low as possible, this cycle of consuming housing that no one needed continued. Home “owners” borrowed against the inflated value of the house, often in order to continue speculating on additional homes; or they borrowed against inflated equity in order to buy furniture, media equipment, expensive cars, vacations abroad, etc. As long as everything went fine, and no one held too much debt, Americans were comfortable living under the motto “You deserve it,” (others pay for it).

None of those living under this illusion had heard of credit default swaps (CDS) or collateralized debt obligation (CDO), the mirages of the transaction economy. They knew that Enron had collapsed, but they did not really know why. Enron, instead of trading oil and gas—its official business purpose—was an active participant in the derivatives market. In other words, it dealt mainly in financial speculation, deriving profit from transactions, not from selling products. Many other companies, including those that sold the mortgages to homebuyers preferred speculation over keeping within their stated business purpose. The numbers describing the capital involved in providing goods and services are lower by at least one order of magnitude than the numbers for speculating on futures. Of course, the risks are inversely higher. But when it comes to speculation, you strike it rich, or you seek government protection. The bigger you are, the more expensive the government safety net.

The reason for mentioning these examples is simple. In the FIRED-up economy, the available dollars are forced to move even faster than in the production economy. Smoke and mirrors create the illusions of leverage. The following anecdote illustrates the thought.

A customer at the hotel reservation desk asks, “I intend to rent a suite. Can I inspect it first?”

“Sure” the hotel manager replies. “Just leave 100 dollars as a deposit and go ahead.”

In a short time, the butcher shows up. “You know I provided cold cuts on credit. Now I need to be paid. My own creditors are after me.”

“No problem. Here’s the 100 dollars we owe you,” the hotel manager says, handing over the money.

On his way home, the butcher meets the farmer. “I sold you meat for your shop on credit. Time to pay up. I have my own bills to pay.”

“No problem. Here’s the hundred I owe,” and the butcher hands it over to the farmer.

Before the farmer can put the money in his pocket, a prostitute approaches. “Hey, I delivered on credit. You’d better pay me already.” And the farmer does.

Soon thereafter, she is at the hotel to reserve a room. “I know, payment up front. Here’s a hundred. If I owe you more, you know I’m good for that, too.”

In the meanwhile, the customer finished examining the suite. He decided not to take it and gets his hundred-dollar bill back. Everyone has been paid as the money moved.

For the Coke you bought, the store had borrowed money in advance of your payment. That borrowed money, with interest attached, was already sold as debt to some other company. At the same time, the risk that the borrowed money will not be paid off was also made into a financial product. Some made money betting that you would pay your debt; others that you wouldn’t.

Behind all this is the dynamics of capital markets. There is no other way left to make a profit but by moving capital. The so-called “housing crisis” that contributed heavily to the last Great Recession is symptomatic of the FIRE economy. Housing prices skyrocketed in many major cities across the USA because buyers believed they could speculate as well as the real estate experts, or because they believed the lies of the banks and mortgage brokers. Today, thousands of homes, abandoned by owners who could no longer afford to pay for them, are decaying and being demolished. A house that will cost \$250,000 to repair can be had for \$4,000.00 (not only in Detroit).

If You Have a Million-Dollar Bill, You’ll Never Pay

Remember the movie *Man with a Million*?¹³⁸ If not, no problem. You are living it. People with real money actually never pay. Let’s see how this works.

The financiers who benefited from the real estate craze made sure that their sky-high salaries and their even higher bonuses were parked in offshore tax havens. Hidden there, the American government, always looking for more revenue, cannot reach them. The civic dedication of these financiers (always preaching something other than what they practice) is in line with that of the politicians who decide what taxes Americans will pay (or not, since over 50 percent of Americans pay no taxes). In reality, tax rates—the hot topic of debate in the last years—are of marginal importance. Tax loopholes allow

138 The movie was made in 1954, based on Mark Twain’s novella, *The Million Pound Bank Note* (1893). Gregory Peck stars as the penniless American who receives the note on a wager.

companies (such as General Electric, Apple, Google, and so many more) that make “gazillions” of dollars of profit to pay little in taxes, if any. But those in power prefer to argue about rates, not the deficits that these loopholes feed. The following example will explain the difference.

Warren Buffett, the amazingly successful head of the Berkshire Hathaway, Inc., admitted to having paid seven million dollars in taxes; that is, 17.4 percent on adjusted gross income of 40 million dollars. In his zeal to cut the current US deficit, he volunteered to pay the same rate his secretary paid: 23 percent (which would have brought his taxes to \$9,200,000 on the 40 million reported). During the debate entitled “The Rich Are Taxed Enough,”¹³⁹ organized by Intelligence Squared US, one of the participants brought up the example of Warren Buffett’s taxes. It turns out that “the oracle of Omaha” was less than candid. In 2010, his wealth actually increased from \$40 billion to \$50 billion. Based on his real income, Buffett ended up paying a tax rate of .06 percent. Tax loopholes allow him, and the other almost 1000 plutocrats, to support their government in a most paltry manner, all in accordance with current tax laws. If the chances of changing tax rates by the end of 2013 are even, the chances of closing loopholes are close to zero. Those in power are faithful accomplices of the very rich, to whose club they belong.

According to the Tax Justice Network, corporations and individuals shelter their fortunes to the detriment of the rest of America. As much as 100 billion dollars in lost tax revenues burden those who pay their fair (or unfair) share. The trillions of dollars lost will be, again, paid by taxpayers fortunate enough to have an income. Of those who invested, some profited from the boom. A vast majority got hurt because in their stupidity, the feeling of entitlement translated into total submission to the seductive powers of the market. The America of the independent entrepreneur, and the America of generalized dependence on the public purse stand in stark contrast. Opportunity has become disconnected from risk, due to the stupid expectation that someone else will pay. The USA paid billions to bail out capitalists who knowingly cheated their customers. Those who lost their savings and retirement funds—because they trusted the experts—got nothing.

139 *intelligence*² DEBATES. 24 October 2012. Arthur Laffer and Glenn Hubbard “For,” and Robert Reich and Mark Zandl “Against.” Intelligence Squared U.S. is “a new forum for intelligent discussion, grounded in facts,” initiated by the Rosenkranz Foundation.<<http://intelligencesquaredus.org/debates/past-debates/item/775-the-rich-are-taxed-enough>>

The reason for belaboring here the most recent crisis—which has already inspired many books and movies—is to point to the astounding numbers of dollars involved. Even the trillions spent have turned out to be insufficient for getting people back to work—the major problem lingering after the financial crisis of 2008—mainly because they were applied stupidly. The federal government facilitated millions of dollars to enterprises that soon failed. Millions were given to political cronies. To what extent the bankers could have mitigated the crisis, even if they wanted to, is now a moot question. Interest rates were brought close to zero percent. There was never a more advantageous time to invest in improving the nation: the electric grid, water purification systems, sanitation systems, efficient transportation solutions (not just more highways), and, of course, quality education. Once upon a time, banks used to facilitate loans to private and government sectors, financing such loans through bonds offered to the public. During a period of practically zero percent interest on bank accounts, a rate of 3 to 5 percent on bonds would have been the best stimulus program, with a significant multiplier effect leading to more economic growth. Maybe one day the public—given to stupid expectations—will learn why the banks that cheated them once proceeded to cheat them over and over again as the federal government turned a blind eye to their chicanery.

The crisis is part of the systemic breakdown. The only way out—short of continuing the agony or allowing it to play out (with probably more agony)—is a change in the system. But as long as everyone wants to be rich (the next entitlement?) such a change will not come about.

“Creative Destruction”

Joseph Schumpeter described capitalism as “creative destruction.”¹⁴⁰ He gave an example to illustrate this thought: Machine-made replaced handmade products to the extent that handicraft was eliminated for all practical purposes. By this, Schumpeter meant that the marketplace, with all its strengths and weaknesses, is the domain in which capitalists of all kinds target those enterprises less able to cope with change, or those less willing to think or to make sensible judgments about what is and what is not innovation. These are not victims, but stupid persons unwilling to exercise common sense. The Luddites, who fought the Industrial Revolution by destroying machines, are earlier examples of this attitude. Closer to our time, they are the men and women who bought into the theory of the “efficient market” and made it their

140 Schumpeter, Joseph A. *Capitalism, Socialism, and Democracy*. New York: Harper Perennial Modern Classics, 2008.

religion. The “efficient market” theory says that if the information is correct, the market will reflect all the parameters at play: risk, volatility, success, competition, etc. Thus, the market will behave rationally and take care of itself. *But nowadays, the information is almost never correct, and most of the time it is also incomplete.* Information is itself a product of capitalism. Accordingly, reality is not reflected in information about it, but is invented—engineered and manipulated.

The USA used to be the example of a system in which incentives and creative destruction worked in tandem.¹⁴¹ The outcome was America’s prosperity. This seems to have been the case during the years in which the Declaration of Independence and the Constitution were formulated. Currently, however, the connection no longer exists. Incentives have been replaced by dependencies; innovation is only marginally creative; the destruction affects the human condition instead of the obsolete technologies. As impressive as some new technologies are, not all qualify as creative destruction. Mobile telephony, up to today’s smartphone, made the landline telephone obsolete. But not the same can be said about monetizing each social media participant—those “friends” who are not really friends, and whose aggregate wisdom equals greater stupidity.

Many economists and ordinary Americans complain that with the increased sophistication of the derivatives market, the relation between reality and the abstractions of the market becomes exceedingly difficult to comprehend. But abstractions (in the forms of algorithms and intelligent agent technologies) are *de facto* the new source of wealth. From hedging risks—as we all do—to leveraging bets, the distance is huge. How much bandwidth will be necessary in ten years, or in thirty, is a legitimate question if you are in the business of providing cable or wireless connections. But to speculate on how much such a market will be worth, then take this number and sell it as income (as though it were already in the bank), is entirely different. To make such bets using other people’s money—their life savings, their retirement accounts, their personal investments in their homes and cars and TV sets—is less than legitimate, and more than immoral. The fact that speculators find takers for such “products” is yet another symptom of the stupidity generated by post-industrial capitalism. Stupidity and amorality go hand in hand.

When Enron, Global Crossings, and WorldCom played the lottery of such futures, they did not endanger only their own businesses. They destroyed the well-being of many people who believed in promises that were revealed to be

141 Acemoglu and Robinson, *Op. cit.*

lies. Theirs is the story of an unavoidable process definitory of capitalism, not a simple consequence of it. Where there is capital, there is the expectation of profit. New, however, is that in the post-industrial age, in the age of the FIRE economy, financial activity overtakes the market. Marx described this in a surprising prediction, when he envisioned the “money capitalist” exploiting the “industrial capitalist” in the manner in which the latter once exploited industrial labor.¹⁴² Marx also realized that money capitalism operates at a much larger scale. Having to learn to live with huge numbers and to live under conditions of uncertainty correspond to this scale—and it is unavoidable.

Almost thirty years ago, the financial sector accounted for one-sixth of the economy. In our days, it moves fast—or at least it did until the 2008 collapse—and accounts for 50 percent (or higher) of the nation’s profits. Money capitalists of all kind control the economy and the political institutions. Bankers, as a particular identity of the money capitalists, are part of the power establishment. They practice the formula that apparently surprised America when the breakdown was officially announced: “Upswing capitalism; downswing socialism.” In everyday language: “Getting rich is a private matter; failing is socialized.” In other words, the society on whose effort they became rich will have to save them when they fail.

But the same questionable logic applies to ordinary Americans enjoying the right to be saved from their own stupidity, and cupidity. The socialization of failure is so comprehensive that America’s future becomes questionable. The lack of accountability is a characteristic of the transactions leading to this state of affairs. Plutocrats do not fail. Those who risk other people’s destinies don’t fail; they get severance payments. Getting richer if you succeed or fail—the win-win situation that is the magic formula of financial alchemy—is part of the experience of learning to live with huge numbers.

142 Marx, Karl. *Das Kapital*. Vol. 3.

THE EMPIRE STRIKES AGAIN: “WE CREATE OUR OWN REALITY”

The early United States—a common market more than anything else—considered the world as it was, and acted accordingly. It wanted to be part of it as an economically independent entity. The USA of today is trying to make the world anew in order to fit her intentions. The choice corresponds less to political ambitions than to the desire to maintain a situation of economic control: secure resources (material and intellectual) that underlie power and consolidate authority. America justifies each of her actions—wars, economic expansion, dubious alliances, etc.—as the only way to “save” the world. Since her painful birth, America has chosen to be destined for greatness. No one ever thought that the time for questioning her self-ascribed exceptionalism would arrive.

Irresistible but Not Really Loved

Very few people, if anyone, believe that America can be beaten from outside, neither by hard (military) nor soft power (economy, culture, technology). There is no comparable military might that could even fantasize about invading the USA, or otherwise harm her by forcing painful concessions. However, America’s military is overextended. Her ability to pay for hegemony is becoming tenuous. Yet, a great number of military bases around the globe, an awesome destructive arsenal, and futuristic technology (does *Avatar* ring a bell?) mildly describe her tight grip on the world.¹⁴³ Notwithstanding China’s enormous recent progress (and potential for more), there is no economic power—not even self-aggrandizing Russia or the still arrogant European Union—that can challenge the American economy without harming itself and its citizens. They all know that, for the time being, it is better to be on America’s side.

¹⁴³ A precise number is not available. The Pentagon Base Structure report mentions 4,999 sites in the USA, its territories, and overseas.

America projects its soft power in every imaginable form. Hollywood is still, for friend and foe, the illusion machine of choice, as is “Yankee” television entertainment. American fashion is *in fashion*—even in Paris, London, and Milan. Technology and educational offerings are irresistible. Top medical expertise and business know-how are handsomely rewarded by those who can afford it. Popular culture—from comic strips to games—is stamped “Made in the USA.” The “American” language, sexuality, and shopping malls are choice number one all over the world. Young and less young, rich and poor, white, yellow, brown, and black (and even some who hide under the hijab) are seduced. Many envy the free and prosperous Americans. The so-called global economy gravitates around America. She is irresistible even to those chanting “Death to America.” They hate her because there is no way not to fall for her.

Writing the Rules of the Game

At the time the USA came into existence, there was the chance, promptly taken, for survival and prosperity in loosely uniting the states. America did well within the rules relevant at that time. It wanted freedom to succeed, not to dominate. Over time the impetus changed from aspiring to be equal to other countries (especially to England) to becoming *prima inter pares* (first among equals). Initially, the scale of human and natural resources gave the USA an edge in competition with other countries. She did not have to be fast, but steady. In time, however, the fast pace at which America outperformed the world made many wonder whether she was playing with a clean deck of cards. Today, nobody doubts that America won, not because she cheated, but because she actually wrote the rules of the game, and changes them to suit her capricious choices.

The America of 1789 was made up of thirteen agricultural states. By their nature, agrarian economies are slow, with rather low productivity and low profit margins. The aggregate market called the USA opened perspectives of expansion through trade. America encouraged individualism and promoted self-interest (of the free and the wealthy). The agrarian USA evolved into the strongest industrial economy; today it is the most powerful post-industrial capitalist economy. In the process, the deepest transformation of all those involved resulted in a new human condition. In its formative years, the USA could not dictate the rules of the game in competition with the rest of the world. America adapted to this reality. But since World War II, she certainly does

make the rules and forces others to adapt. Given her unchallenged position of power today, the real danger is that America will push herself beyond the brink and bring other economies down with her.

Today's America differs greatly from the one that mobilized for two world wars. Roosevelt's works projects gave way to the war economy, the pinnacle of industrial capitalism. Skills, hard work, and a sense of community ("We're all in this together!") were expected during and after WWII. The post-industrial age that has evolved since the 1960s has affected life to the extent that individual and, sometimes, collective choices that qualify as "stupid" are no longer an obstacle to survival. The Jeremiahs (right or wrong, right and left) prophesy hell because increased brutality, racism, intolerance, corruption, moral and ethical decline—all expressions of stupidity—became characteristic of life in the USA. There are many Americans whose mindset remains in the industrial age as they decry the perversion of science (e.g., genetic engineering, stem cell research on human embryos); the rapid dynamics of science escapes their comprehension. The weakness of public institutions (e.g., schools, police, border security), over-indulgence, and self-gratification (in all economic classes)—worry most Americans. Some of them bewail the decline of religion and family life, the lost sense of privacy, especially the erosion of freedom, America's hallmark. The majority of Americans vigorously decry the growing role of the state and especially the central government in the life of individuals, the greed and incompetence of the political class, and the heavier burden of bureaucracies. Most telling, of course, is the complaint that rapacious post-industrial capitalism (which seeks profit at any cost) flies in the face of America's founding values, and gives rise to increasing inequality of opportunity and outcome.

More Is Never Enough

America reached its current condition in the process of unleashing productive forces, stimulating creativity, and maintaining a fierce sense of competition. It did not set out to become faster; it had to outperform. The high speed at which computer-driven transactions take place corresponds to financial capitalism. The amazing accomplishments of America-the-Economy made the "Americanization" of the world no longer just a way of speaking. Former colonial powers (France, England, Spain, Portugal) physically occupied the world. That was the rule of their game. America encouraged commercial democracy—its real leap of faith—to become the goal of people of different

lands. She also financed their acquired dependence through various aid programs—all selling American products. Addiction to more—regardless of price and consequences—is the reality that the USA created.

One can wonder who will consume all that is produced, and to which more is continuously added. Innovation—“creative destruction,” as Schumpeter called it¹⁴⁴—renders obsolete what only hours ago was highly fashionable. In today’s jargon, it is called “cannibalizing” one’s own products. The latest iPhone and iPad, the latest software and web appliances are predators of last year’s version. That is the American way!

The feeling of satiety rarely affects the never-ending tendency to acquire more. Debt is generously stimulated through conjuring a “reality” of happiness and the attitude of “You deserve it—NOW!” What better way to “engineer” prosperity, as part of an addictive reality of illusion? Stuffed beyond capacity, consumers will never ask, “Why did I buy all this stuff?” Paradoxically, when people are full, they eat even more, and drink more, too. The man (no woman yet) who at a hotdog-eating contest stuffed himself at the rate of 60 hotdogs in ten minutes epitomizes the condition. The audience urging the contestants on did not realize they were looking at themselves, at their own stupidity! After stuffing her closet with the tenth or twentieth pair of shoes and the fiftieth blouse, the fashionista is all set to go for another 100 or 200. The more you have, the more you want. Taking drugs, watching TV until you can’t keep your eyes open, drinking fifteen cups of coffee per day, overeating, having sex on demand—all this conjures consumerism in action. Those caught in the whirl call it “freedom.” As science confirmed, saturation, which the satiated refuse to acknowledge, leads to a reversal: food is not savored, sex is empty of feeling, drugs cease to be “liberating,” TV is no longer entertaining or informative, fashion makes you feel naked. At saturation, individuals become slaves of their habits and urgings. And they don’t even realize it.

America the frugal, as she most certainly was in the beginning, became the land of too much in every respect. This model is envied by other countries, many of which strive to adopt it for themselves. More of everything for oneself, however, means less for everyone else. Bridges cave in, deficient water treatment plants provide water reeking of chlorine, potholes become a permanent fixture of the road; the electric grid fails, or is completely out for days and weeks. The infrastructure—a reason for pride only three generations

144 Schumpeter, Joseph A. *Capitalism, Socialism, and Democracy*. 3rd Ed. New York: Harper Perennial Modern Classics, 2008. First published 1942.

ago—is ignored. Americans don't want to pay for the services of civilization, neither through taxes nor through fees. When the desire to acquire more rules people's lives, human beings around the world become irrelevant. Desensitization accompanies saturation like a shadow.

Social Autism

At saturation, the perception of things—your breast size, your car model, your pet, your mobile station—turn into their Orwellian opposites. Infinite choice becomes no choice at all. Freedom and lack of freedom are indistinguishable. Conscience turns void of any sense of responsibility. When Arizona Congresswoman Giffords was shot, everyone expressed pity. Flags were lowered to half mast after a sick young man, inspired by violence in movies, shot into the audience at a film premiere, killing twelve. The nation mourned the shooting of elementary school children and their teachers in Newtown, Connecticut, an affluent town where everyone felt safe. The simple truth about the so-called right to own guns was avoided; like everything else, it comes at a cost.

Over three million children suffered abuse in 2011; 300,000 children are at risk of commercial sexual exploitation.¹⁴⁵ Irresponsible parents, incompetent educators, bad food and clothing choices (high heels for babies and string bikinis for toddlers, who are turned into dolls for their mothers, and into sex objects for pedophiles), and obsession with kids fashion, etc. are the culprits. Mothers, in families or single (as are 41 percent of all mothers), go as far as to find refuge in laws protecting them from punishment for killing their babies. Tens of thousands (over 30,000 in 2010) are killed, and almost 60,000 are wounded in gunfights, in armed robberies, in gang wars. But the “right to bear arms”—to which, unfortunately, a Congresswoman defending it fell victim—is yet another aspect of life in the new reality that America created. The rest of the world does not understand it, but ends up imitating it.

Morality gives way to immorality and amorality. In the new reality generated under the banner of permissiveness, to lie, cheat, steal, abuse children and the defenseless, or even kill has no more meaning than to chew gum, to visit the sex shop, to get another tattoo or have your tongue pierced. Or to produce infinite amounts of spam. All for the fun of it! The American military, the ultimate consumer of someone else's money, enlists people formed in this spirit. Very few others are available for the little money it pays, or for the thrill

¹⁴⁵ Senator Mark King, in reference to Senate Resolution 439 (December 20, 2012), “Pimps and traffickers advertise sexual services by minors.”

of real-time games with living targets. The time of ideals worth fighting for was repudiated by the fast clock of immediate reward that marks time in the reality created by the US military forces.

Moral relativity is nurtured by the sense of equivalence corresponding to a world of too much for some and not enough for others, many living in misery. Right and wrong are relativized. In some cases, children—no longer the innocent creatures we believe them to be—torment or kill parents, the homeless and helpless, and other children, without remorse. Politicians lie with no moral qualms, and generally do not keep promises made to their constituents. Students cheat without hesitation: a high grade is, after all, their right. Extramarital affairs, whether in heterosexual and homosexual families, are of no consequence. The cult of consumption brings everything to saturation. Individuals of all backgrounds end up disappointed with themselves; they behave like alcoholics who, upon realizing their condition, drink even more to repress regret. The threshold at which drugs and addictive behaviors trigger the hoped-for high rises with each trip.

Conditioned by the new reality of movies, video games, chat rooms, texting, and sexting, Americans often equate “filling time” with “living.” A rapidly increasing number of individuals practice “autism by choice.” Not raised to confront reality and get stronger by mastering it, more and more youngsters grow up seeking refuge in an engineered world. The virtual world replaces the real one. Unsure about the future, they resist becoming adults. Adults, crushed by reality, revert to childishness. When a game character is killed and the score suffers, players get upset. But they rarely feel emotion upon hearing that real people have died or have been killed. Friends and family are replaceable. Society, homeland, the world, the people around them seem only as real as any game level or virtual character. The “look and feel” of their gadgets and computer programs replace the look and feel of family and friends. Tattoos and piercings give many, young and less young, the illusion of a different reality, where they can be what they want, behave how they want, and show the world “who they are.” This is how they try to escape their own condition. These escapist individuals seem to be in an induced state of perpetual self-denial. They believe they are resisting conformity. They reach a state of indulgence in stupidity, of *autism by choice*. Once ensconced in it, you are at the center of your own world. You don’t have to be concerned about others. Unabashed materialism and proud ignorance are two more symptoms among many. How they speak, dress, and draw attention to themselves only partially reflects their condition. The booming music they play could be called

a provocation, if they were actually aware that anyone was around them. They disparage those who live normal lives (whatever that means), but do not shy away from living at the expense of “normal” people. They’re entitled to that! And their numbers are growing.¹⁴⁶

The National Institutes of Health report mentions a five-fold increase in diagnosed autism between 1996 and 2007. Post-industrial America generated its own type of pervasive autism. It actually created so many of the new “diseases”—attention deficit disorder, hyperactivity, post-traumatic stress syndrome—that some wonder “Is anybody normal anymore?”¹⁴⁷ These disorders are more social in nature than retraceable to the physiology or the biomolecular level of human existence. There is no denying that this is part of the price paid for too much, and for the acceleration of existence (meaningful or meaningless). Similarly, there is no denying that the analytical dimension of medicine has been replaced by engineering (and dependency). America does not treat disorders. She creates them (together with the many transactions associated with them) as “small business opportunities.” Simultaneously, the profitable biochemistry of medication cashes in on the new directory of human inadequacy (the so-titled *Statistical Manual of Mental Disorders*). For some reason, as of yet not scrutinized, the incidents of violent crime and addiction to powerful medications seem to correlate. Of course, the immensely influential pharmaceutical industry co-signs the new realities branded “Engineered in the USA,” but refuses any responsibility.

Without attempting a clinical investigation, let us take note of the way cognitive and affective channels of the young (and not only the young) are filled and saturated. Asocial individuals claim that it is stupid to be part of a community, to fit in. They are no longer an exception in America. Way too many people, from all walks of life, are disconnected from everything that is not of immediate personal interest. This is how the post-industrial capitalism of affluence conditioned them. They are unaware of others, who—according to their expectations—should actually watch out for them, but

146 Eberstadt, Nicholas. “Yes, Mr. President, We Are a Nation of Takers.” *The Wall Street Journal*, 24 January 2013. Among the examples given are the declining number of young people seeking work, 7% of the male population in the prime of their work life checking out of the workforce, the flight to disability programs, etc. ,<http://online.wsj.com/article/SB10001424127887323539804578259940213918254.html>.

147 Wentz, Margaret. *The Globe and Mail*. 5 May 2012. She mentions binge eating disorder, disruptive mood dysregulation disorder, premenstrual attention deficit disorder, among others. Wentz quotes Allen Frances, a critic of diagnostic inflation: “We’re being overdosed and overmedicated.”

without interfering as they act out their stupidity.¹⁴⁸ These men and women know little, or nothing, of what is happening in their community and their homeland. The rest of the world does not exist unless it chats, texts, or tweets, in English (often better than Americans do), or poses as a Facebook friend. Neither politics nor social life is of any interest to them. They don't vote. To be informed about what is going on in the world would take time from their self-involvement. They are part and parcel of the commerce on which their prosperity and entitlements are based. Alienated by the system, they don't care to do anything about it, as long as they can afford a freedom to which they contribute nothing.

Medical Care for Everyone? A Reform That Was Not

The Preamble to the Constitution lists the goals of the “more perfect Union:” “establish Justice, insure [sic] domestic Tranquility, provide for the common defence [sic], promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity...” Fast forward to the present. The USA has a justice system in place. There are no social disruptions (although life is more insecure than it should be). The military exceeds the defense function. But by no means is the goal of general welfare—for which imposts (cf. Article 1, Section 8), i.e., taxes, are collected—reached as long as medical care is not universally and uniformly available. The fact that some interpretations of the Constitution maintain that general welfare is reserved for the states, not the people, only goes to show that the Constitution is wide open to (mis)interpretation.

The Affordable Care Act (passed in 2009) turns out to be only an insurance plan, not medical care reform. If it were been true reform, it would have affirmed a holistic, integrated understanding of health corresponding the current medical science. Vision and dental care would have been placed within the scope of healthcare, not as an appendix. More important, it would also have emphasized continuous and long-term maintenance and prevention over costly repairs. Currently, Americans treat their automobiles better than they treat their bodies. Support of more qualified medical providers and facilities would have changed the precarious access to medical care for those living outside urban centers. It would have supported incentives to study and serve in various tiers of healthcare. Moreover, true reform would have extended

148 On ABC's *This Week*, a hot discussion among Donna Brazile, Congressman David Schweikert, Chris Hughes, Steve Inskeep, and George Will was prompted by the latter's prediction: “We're going to be an assisted living home with an army,” 27 January 2013.<<http://abcnews.go.com/watch/this-week/SH559082/VD55267668/this-week-0127-john-mccain-robert-menendez-on-bipartisan-immigration-reform>>

the Medicare model to everyone: guaranteed treatment for critical medical conditions and hospitalization.

Medicare is an insurance model that reflects social solidarity: there are medical needs that the majority of Americans cannot afford. Surgery, cancer treatment, heart conditions, and transplants are not routine services, but exceptional, “catastrophic” situations for which individuals and families are unprepared, whereas a cold, a minor wound, a sprain, or an allergy remain within their ability to care for. To proceed through an analogy: home insurance is intended to cover serious damage, not repainting your bedroom or remodeling your kitchen. Auto insurance covers accidents and theft, not oil changes or a malfunctioning radio. More comprehensive treatment plans and broader medical coverage could be offered through additional insurance.

There is a real demand for medical care. Hard work and abusive labor and living conditions wear people out. In spite of this, America, that is, its politicians, chose a different path, and failed at yet another opportunity. The Affordable Care Act rushed through Congress actually created a huge market for profitable transactions (not only in medicine) instead of providing access to quality healthcare for all Americans, not just for those in need. The opportunity to rethink medical care and health insurance was hijacked by special interests, political as well as economic, and sacrificed at the altar of profitmaking.

An outrageous declaration was generated in the never-ending debate on medical care: Constitution or not, America cannot afford it! Never mind that Americans spend over 20 billion dollars yearly to engineer the appearance of youth and health through cosmetic surgery: 1,622,290 surgical procedures, 9,472,576 non-surgical procedures, at a price tag of \$10,677,416,674.¹⁴⁹ These figures are for physician and surgeon fees only and do not include fees for the surgical facility, anesthesia, medical tests, prescriptions, surgical garments, or other related miscellaneous costs.¹⁵⁰ Botox, laser procedures, breast augmentation, liposuction, nose jobs (known as “shine surgery”), and the like add up to expenditures bordering on the absurd. “All I want for Christmas is plastic surgery. With Dr...” reads a billboard in Dallas, Texas.

Twenty-five percent of the population spends large sums of money on vitamins and supplements of no proven value. Coincidentally, the better-educated and higher earners are infatuated with them. Smoking, sodas, alcohol, snack foods, and eating out can add up to the hundreds of dollars each month. Add

149 “Americans Making Cosmetic Surgery Higher Priority Than Necessary.” *Colorado Springs Business Journal*. 31 August 2007.

150 Cosmetic Surgery National Databank Statistics – 2010, The American Society for Aesthetic Plastic Surgery.

to this the billions of dollars spent on sports events (and betting), on mediocre concerts, on fireworks displays by those who would not seek medical insurance, but who expect it at the expense of someone else.

For their pets—dogs, cats, birds, hamsters, fish, even ferrets, lizards, and snakes—Americans happily spend another 50 billion dollars.¹⁵¹ Pets are the beneficiaries of products and services ranging from the best (most expensive) food and special diets, to the outrageous: contact lenses (I want my Persian to have blue eyes, or my Rex to see better), to knee and hip replacements, chiropractic therapy, and even psychiatric care. America has online dating not only for people, but also for dogs. Some owners care for a dog as much (or more) as for their own children. (Dogs are easier to dominate, and never hold anything against you.)

Demagogues argue that there is not enough money for medical care. They never mention the astronomical expenditures for the military. Or that private betting on sports alone, illegal in all but two states, amounts to over 300 billion dollars a year.¹⁵²

America-the-Economy is the market in which physicians run their practices as if they were any other form of capitalist endeavor. Medical care ceased to be a calling or a social service long ago. It is a business, and it had better be highly profitable. Medical equipment, pharmacological products, and myriad services depend on it.

There is nothing to condemn in the fact that the average annual salary for a general practitioner is around \$180,000, and nothing outrageous in the fact that specialists easily earn \$500,000 a year. In universities, they are paid above the million-dollar threshold. Football players and coaches, movie actors, singers, and dancers are paid much, much more for services society can do without. Many regulations and the ever-present threat of lawsuits add to its cost of medical care, often doubling it. For example, after the California prison system was sued for not preventing inmate suicides, the salaries of psychiatrists working for the system went through the roof, to the high hundreds of thousands of dollars.

To the point of saturation, billboards, print advertisement, and Internet spam offer miraculous treatments for all those conditions that once were unmentionable, if they had a name. Supplements and all kinds of “cures”

151 “The Pet Economy.” *Businessweek*. 6 August 2007. See also: http://www.businessweek.com/magazine/content/07_32/b4045001.htm

152 *National Gambling Impact Study Commission*, 1999. 2-13.

insinuate themselves in the lives of people conditioned in stupidity and thus unable to understand what is behind them. The numbers behind the pharmaceuticals—from legitimate to outright criminal—are staggering. America-the-Economy is not interested in reducing those numbers. Profits are used in part to pay lobbyists and politicians to represent the interests of the medical establishment, which constitutes almost 17 percent of the national economy. To engage a person in exercise and a healthy lifestyle is far less profitable for the medical establishment than to perform open-heart surgery, or knee and hip replacements. Long-term patient dependencies on their physicians, which the Affordable Care Act will encourage, are the rule rather than the exception. The transaction economy prospers on entitlements, not on rights.

Engineering a New Human Condition

A human condition of peculiarities seldom subject to inquiry, such as the political nature of Americans, is engineered in parallel to what the capitalist machine driving the economy produces. Stupidity as part of this condition is expressed in the progressive inability and unwillingness to understand the reality to which individuals belong. Social issues, such as various types of inequality in America and political issues, such as the right and obligation to participate in decision-making, are simply ignored. More telling is the unwillingness to question why having more—on average, the American family owns more than 10,000 items—does not make us happier, if not brighter. Whether access to abundance is a blessing or a curse remains an unanswered question. Nevertheless, political policy is engineered to reinforce consumerism as a cure to all ills, personal as well as national.

Having absorbed the political dimension of human existence into the economic, the USA is less of a motherland and more, if not exclusively, an opportunity. Of course, nobody can ignore community life in vast areas of the USA (the Northeast, in particular). And it is not even definitory for the average American. Town Hall meetings in which local issues are discussed—the school, the fire department, the police, waste disposal, road repairs, local amenities—are the exception and attract less and less people. Their physical address might be in town, but they “live” more and more on the worldwide web. The atomization of the USA—each person acts as an independent atom—reaches to places where traditional family or community solidarity was taken for granted. The bottom-up dynamics of social and political life have been replaced by top-down policies emanating from a centralized, “We know better” power structure. Consequently, the citizen is demotivated since everything appears as predefined.

It is worth remembering that when Rome transitioned from republic to empire (after 49 BCE), citizenship also transitioned: from allegiance to indifference, and eventually to enmity. The political voice of the citizen and thus the individual's influence on the political process was neutralized by handouts and entertainment (the famous *panem et circensis*). Centuries later, the Soviet Union underwent change from a dedicated citizenry—those who carried out the Revolution—to a rather distrusting population. Fed up with promises from a government and a political class pursuing their own interests, Soviet citizens gave up on their country. Instead of an effective political voice, Americans have access to everything that borrowed money can buy. Power is increasingly centralized and decreasingly subject to people's scrutiny. Rome could not pay for its expansion and grandeur; neither could the once-upon-a-time mighty Soviet Union; neither can the USA, adding eleven billion dollars a day to its immense debt.

Too Much in Love with Themselves

The unmaking of the social individual in the new reality will, in the long run, become as irreversible as the making of technology. Society will weaken to the extent that self-centeredness trumps solidarity. But the majority does not care. Engineered or not, this reality gives them the illusion of power. It doesn't take more than an honest assessment of the financial meltdown to realize what kind of human values dominated. A derivatives expert did not decide to pursue immediate satisfaction in order to make himself "happy." In the expensive socialized (i.e., the public pays for it) research that America supports, no scientist ever looked at the profile of financial speculators (not only their IQs, but also their SQs, their stupidity quotients). Nobody ever asked questions regarding the obsession with socialized instantaneous gratification that Americans developed in the age of light-speed fast. Behavioral disturbances characteristic of the relation among the people making up America-the-Economy are left out of the research agenda. Pills and genetic engineering might help those who enroll the "engineers" of human behavior, as many physicians are trained to be: replace spare parts, provide lubrication, affect the biochemistry of individual and collective alienation. What else is Prozac—an SQ enhancer—for which the industry hijacked the attention of millions of individuals unwilling or unable to cope with their own shortcomings? Those who required Prozac to deal with a real medical condition cannot be ignored, of course. Toradol, a medication for managing pain after surgery, is stupidly used by football players (in addition to steroids) intent on striking it rich even at the cost of their lives. Their public, conditioned

to enjoy brutality, wants to be entertained. There is no question of catharsis, or emotional and mental release. The audience is rather inclined to act out in real life the brutality they watch on the screen, field, or arena.

The new, engineered reality is sometimes quite depressing. The USA claims dedication to law, but it does not have a fair system of justice. Most Americans cannot afford it. Education, whose importance is undisputed, is mediocre, and driven by a rear-mirror vision. It looks to the past for answers to today's pressing questions. Extremely efficient in moving money faster than anyone else can, the American financial system proved to be, at best, deviant. Medical care, spectacular at peak performance, is costly and often ineffective. In some cases, it makes a bad situation worse. Even the military, America's crown jewel, is not what its PR would like the public to believe it is. In the last ten years, it became, probably unwillingly, the training ground for terrorists, extremists, and neo-Nazi groups.¹⁵³ High-ranking officers abuse privileges that even former Secretary of Defense Robert Gates envied.¹⁵⁴

In aggregate, this situation points to the possibility of what science denotes as "system failure." Therefore, once again, there is no reason to demonize lawyers, teachers, bankers, doctors, soldiers, or officers. In most cases, they are probably respectable individuals, animated by good intentions, aware of the many shortcomings, and still willing and able to learn. Nevertheless, the dynamics of the system, geared towards ever-higher profits, undermines their genuine dedication to higher purposes. Within the system, they become what they do not care to be. Often, their actions end up being idiotic because they lose control over the outcome.

If and when they realize that in this new reality something isn't working according to their expectations, Americans have a propensity towards feeling sorry for themselves. They single out the atheists, the intellectuals (mostly in academia), the liberals, the conservatives (the Tea Party, in particular), the press, the unions, the NRA, the communists, the "Islamofascists," and the Jews. For two terms, a less than qualified president (by no means evil)

153 Mulrine, Anna. "Sikh Temple Shootings: Extremist Groups Recruit from US Military Ranks." *Christian Science Monitor* 7 August 2012. Investigation into the background of alleged shooter Wade Michael Page highlights practice of extremist groups to target prospects with a military background.

154 Astore, William J. "Generals Behaving Badly." *The Nation*. 29 November 2012. Web. Astore lists the following privileges: executive jets on call, large retinues of personal servants, private chefs. The USA military is top-heavy, still a very centralized force (945 generals and admirals) at a time when decentralization became the new structural model. <<http://www.thenation.com/article/171514/generals-behaving-badly>>

was a convenient explanation for America's failures. But when prospects do not improve under a new president, a man of fascinating popular appeal, Americans still don't question their own role in the matter. Stupidity never finds fault with itself. Treating pathology as though it is disconnected from the individual can only lead to self-delusion.

The new reality that America creates continuously affirms her right to be better off than the rest of the world. Americans make up five percent of the world's population, but consume more energy (25 percent) than the rest of the world. We use six times more water per capita than anyone else (including the super-clean Germans and the fussy Scandinavians). And we exercise the right to waste much more than the rest of humankind: 25 percent of the energy produced, 50 percent of food grown and processed, almost 80 percent of clothing purchased. The USA has the most criminals in the world, and a prison population far greater than that of any other country. She has the most, and most expensive, lawsuits, and the least fair justice system. America fights an expensive war on drugs while having more drug users and drug addicts than any other country. She lives the delusion of superpower through debt. Hopefully, the USA will be able to pay the piper before the nation goes over the cliff.

The heirs of "China Mall" (i.e., Walmart) have a net worth equal to the sum total of the combined wealth of the bottom 30 percent of the entire US population. From all we know, none of the Walton heirs is evil. Quite to the contrary, they seem socially engaged and contribute a large portion of their fortunes to philanthropic causes. It is not their fault that capitalism's obsession with profits (a characteristic intrinsic to capitalism), embodied in the Walmart business model of economy-of-scale has made them as rich as they are. Rather, the USA is dedicated to this model. It shapes individual destinies—those of the Walmart heirs, as well as of the poor and very poor in the "ghettos" of Chicago—within the continuum between a parasitic existence (as rich or poor) and an idiotic ignorance of anything outside the self. The will to change this reality, with its destructive consequences to everyone, goes well beyond charitable giving, even at the scale of the Gates family and Warren Buffet, or an individual's decision to free oneself from dependence on welfare. Romantic dedication to the slogans of high and low end entitlements presented as expressions of solidarity cannot hide diminishing personal responsibility. The new reality that America is instilling in the world is one of dependence.

In Search of An Enemy

America defines herself primarily in opposition to the disputable values and norms of others. The Soviet Union was a good enemy. As a vast empire, on a shaky foundation, it made huge investments in the military, and via the military, in science and technology. America had a competitor and had to exert herself. Most of the time Russia's competitive power was overestimated, on purpose, in order to maintain the willingness of Americans to finance the Cold War. With the implosion of the Soviet Union, America needed a new enemy. Nobody was prepared to assume the role. "The end of history" was declared.¹⁵⁵ Then Muslim-inspired terrorism, indirectly empowered by America during her confrontation with the Soviet Union, finally took center stage. After the predictable tragic events of 9/11, Americans had not only an enemy, but also two open wars (and several covert ones) on their hands. These wars, like those that have gone before them, fuel a lot of activity: money to keep military production at full speed, employment, research, and opportunities for the underprivileged. All in all the effort amounted to almost ten percent of the GDP. Homeland Security's budget alone has a great impact on the economy of having enemies, real or imaginary. It costs a lot to pursue them all around the world for an indefinite duration.

Prosperity, as the only contract between those in power and the population, was delivered on borrowed money. The GIs were dying or got maimed in Iraq and Afghanistan as speculators flipped homes, hedge fund managers traded risk, and all of them made money. No wonder some Americans felt their sacrifices had no meaning. One soldier fighting in Iraq put it directly: "What the fuck am I fighting for?" He referred to "horrible American shit going on," discussing with his wife how he felt about the adoption fraud scam, the news report of a baby thrown in a lake in a garbage bag, and many of those horror stories that make one wonder what America actually stands for.¹⁵⁶ The consequences of stupidity in action revolted the ex-GI. His political voice was barely noticed. In the same issue in which the article describing his torment appeared (from one of America's leading intellectual publications), there was also the lengthy discussion of "the legal battle over trust funds for pets."¹⁵⁷ From it, readers learned that eight billion dollars had been left to provide care for dogs.

155 Fukuyama, Francis. *The End of History and the Last Man*. New York: Free Press, 1992.

156 Finnegan, William. "The Last Tour." *The New Yorker* 29 September 2008. Print.

157 Toobin, Jeffrey. "Annals of Law. Rich Bitch. The Legal Battle Over Trust Funds for Pets." *The New Yorker*. 29 September 2008.

This went on even as the homes of some American soldiers were foreclosed, despite the fact that, at least on paper, they were supposed to be protected.¹⁵⁸ The opinion took hold that the enemy America is fighting is actually a mirage.

In the historic perspective, it is clear that the America of the slow economic cycles, adapted to the geopolitical reality of the time, could not have survived, never mind succeeded, if she had been as riddled with self-delusion, as is the USA of today's engineered reality. The USA of the past was not a place to be idealized. Slavery contributed to the production of wealth probably as much as the rich resources of the continent that the settlers took from the original inhabitants. Cheating, oppression, and discrimination were part of the primitive accumulation of wealth, as much as courage, initiative, or sense of family. The USA, however, affirmed principles that made her Constitution, at that time, a hope for the rest of the world. Over time, industrial America became the home of choice of many skilled and less skilled immigrants.

In the new reality of post-industrial capitalism, transactions are triggered by forces of an order of magnitude reflected in the wealth produced. The individual is almost irrelevant; and this irrelevance is reflected in patterns of behavior corresponding to dependence. In the new reality, where 50 percent of American households depend on entitlements of some form or another, whether it's Medicaid, disability insurance, food stamps, Medicare, Social Security, or tax loopholes, self-determination is relinquished.¹⁵⁹ It is no longer giving, but taking, at different levels for the poor and for the well-off, that defines the relation between the people and their government. In this context of delusional propensity, reciprocal trust is low. Self-destructive forces—the ones at work in speculation, addictive behaviors, self-centeredness—do more harm than enemies, real or imagined. Not the barbarians at the borders—the great fear of the Roman Empire—but the people who surrender civic responsibility are the real danger.

In search of an enemy, many Americans often end up as racists, xenophobes, and anti-Semites. Civil society is unraveling and violence spreads. More buy

158 Heywood, Todd A. "Serve Your Country, Lose Your House." *The Washington Independent*. 18 November 2008. Mary Kane, of the same newspaper, presented a follow-up article on September 13, 2011.

159 Izzo, Phil. "Number of the Week: Half of U.S. Lives in Household Getting Benefits." *Wall Street Journal*. 26 May 2012. In 2010, Sara Murray reported on the same ("Obstacle to Deficit Cutting: A Nation on Entitlements." *Wall Street Journal*. 14 September 2010). The Census Bureau details the numbers of the recipients of Social Security, Medicare, Medicaid, and of various "means-tested" benefits for low-income individuals and families.

into idiotic interpretations. They “know” who killed JFK. They “know” that 9/11 was a government-organized conspiracy. They declared the shooting in Newtown, Connecticut an incident staged to start a movement against selling military grade weapons to the general public. Ironically, the privileged class—members of academia, members of the political class, journalists, and religious leaders—is often the first to come up with such intellectual garbage.

The “better-knowers” (of dark conspiracy bent) are not a new development. There was self-delusion in slow America, but it accelerated as means for profitably deploying it became available. In the new reality that America has created, the right to represent fantasy as truth is as justified as the right to carry guns. Let us connect the dots and consider, in this context, all those speculators who made America the biggest exporter of its financial alchemy sector. They made up realities, engineered to generate high profits by moving capital as quickly as possible. And let us revisit, once again, the various cognitive disorders that made it into the list of official illnesses, for which treatment is made available, and for which drugs are developed. If you notice some correlation, it is not accidental. The systemic nature of the breakdowns experienced by America-the-Economy, under red or blue governments, extends to the human condition.

The Right to Self-Delusion

The scary thing is that the majority of people engaged in the rat race of consumption are not necessarily happy with it. They notice, even in the state of dumb surrender that qualifies them as “stupid,” that often they buy what they don’t need, not only because it is on sale or it is the latest fashion. Realization of the situation is one thing. The commercial dependence that has been established is something else. Freeing oneself from the dependence is close to impossible. Every addiction results in a split personality: “I hate injecting morphine” vs. “I need morphine now;” “Drinking makes me sick” vs. “I need a drink, now!” “Eating too much makes me vomit” vs. “I can’t stop stuffing myself.” “I hate buying what I really don’t need” vs. “My life has no meaning without shopping!” The highs that dealers in credit default swaps experienced are not identical with a heroin addict’s high, or the new eating record in a hot-dog stuffing contest. The damage to others is not the same as the damage that persons lulled into stupidity bring upon themselves. But there are important analogies to consider. Those involved have lost awareness and their sense of responsibility to others. In this new, engineered reality, consequences are no longer on the cognitive radar. Immediate satisfaction at any price is all that counts.

The pathologies generated by systemic factors, such as the dynamics of capital, are not different from those of individual addiction. All the CEOs of the banks that brought America close to collapse were in denial. When finally some banks went bankrupt, the cry was “Why us?” not “We screwed up.” The bank executives displayed a victim mentality, and expected to be compensated for their misadventures; they all demanded (and got) their fat bonuses. Drug addicts, alcoholics, and game fanatics ask for sympathy and compassion when it finally hurts: “Why me?” They no longer realize the difference between right and wrong; this is the classic identifier of stupidity. In their perception, the others are always more stupid. They expect society to pay for their treatment.

The attention deficit, so often deplored, is nothing but the attention stolen from the individual. The competition is for higher stimuli that can hijack minds and hearts. There is no attention left. Their attention is robbed by enormously powerful stimuli of entitlements: “You can own this McMansion! You can have this super luxury car. Buy land at our exclusive community by the lake. This offer won’t last long! You can be like the rich and famous. That’s your right!” Eventually, they end up believing it, just as they believe that the victory of their favorite football team is their own. In the long run, they wind up as damaged as their heroes.

There is a cognitive condition shared by deniers: they make up realities instead of acknowledging the world around them as it is. They do not distinguish the real from what they made up as a new reality under the illusion that they can control it. In the political realm, this led to one of those amazing statements that connect the post-modern—as we know it from the arts and literature—to a new human condition: “We’re an empire now, and when we act, we create our own reality.”¹⁶⁰ When a youngster has surgery performed on his thumbs in order to make him a faster text messenger, a new reality is created. When

160 Suskind, Ron. *Faith, Certainty and the Presidency of George W. Bush*. In the summer of 2002, after I had written an article in *Esquire* that the White House didn’t like about Bush’s former communications director, Karen Hughes, I had a meeting with a senior adviser to Bush. He expressed the White House’s displeasure, and then he told me something that at the time I didn’t fully comprehend—but which I now believe gets to the very heart of the Bush presidency.

The aide said that guys like me were “in what we call the reality-based community,” which he defined as people who “believe that solutions emerge from your judicious study of discernible reality.” I nodded and murmured something about enlightenment principles and empiricism. He cut me off. “That’s not the way the world really works anymore,” he continued. “We’re an empire now, and when we act, we create our own reality. And while you’re studying that reality—judiciously, as you will—we’ll act again, creating other new realities, which you can study too, and that’s how things will sort out. We’re history’s actors . . . and you, all of you, will be left to just study what we do.” See: <http://www.nytimes.com/2004/10/17/magazine/17BUSH.html>

an academic has a camera implanted to make him a walking webcam address connected to the Internet, a different person is shaped. America of light-speed fast wants the whole world synchronized with its dynamics of capital accumulation. The illusion of victory is celebrated day in, day out, in financial transactions that few understand. High frequency trading can easily lead to situations in which the “algorithms gone wild” create global havoc.

A new reality is engineered with each “innovative” financial derivative bundled by bankers and investment brokers. Athletes create the reality of supplanting training and physical stamina through performance-enhancing drugs; beloved champions are drug peddlers: to win the medal is more important than to merit the victory. It’s all a betting business, with new rules imposed upon the rest of the world. Realities are created by the neuro-enhancing drugs. Obviously, the text messaging champion, and many of the military personnel involved in wars, and many of the geniuses on Wall Street used to take such drugs (and some probably still do). Adderall, once upon a time prescribed for attention deficit hyperactivity disorder (ADHD), Ritalin, Provigil, Forcetam—no need to exhaust the list—complement marijuana, cocaine, and meth for a different type of high. They are a form of “cosmetic neurology” (equivalent to cosmetic surgery). The purpose is to give players in the Knowledge Society (as it is touted) extra mental stamina in order to succeed in the transactional economy, where the American motto “Winner takes all” is the only rule observed.

Small advantages, as speculators in market derivatives and high frequency traders call them, can produce disproportionate rewards: profits and bonuses; or gold medals and international fame for the engineered athlete; or access to power in corrupt societies where the rich own the country. New realities are created as a competitive edge is unceasingly pursued. The baseline competitive level changed. If sports can no longer be considered without some form of doping and a lot of technological enhancement, why would the extreme competitiveness characteristic of capitalism not include, in a generalized fashion, the use of enhancers for everything we do? And the right to have access to them? “The drive for self-enhancement of cognition is likely to be as strong, if not stronger, than in the realm of ‘enhancement’ of beauty and sexual function.”¹⁶¹

And if things go wrong, others have to make us whole. In the new reality they create, Americans seem to have won the right to feel sorry for themselves and to expect the world to compensate for the consequences of their own mistakes.

161 Sahakian, B., and S. Morein-Zamir. “Professor’s Little Helper.” *Nature* 450. 1157-1159. 20 December 2007.

WHY CHINA WON'T BUY AMERICA

It is convenient and not unjustified to vilify rating agencies as incompetent accomplices of those who commission their ratings. It is easy to criticize the negligent supervision of government regulators asleep at the wheel. Americans have gotten a taste of every form of dereliction of duty from those paid to protect them. Hundreds, if not thousands, of generously funded agencies charged with supervision and regulation for the good of the public fail to live up to expectations of competence and integrity.¹⁶² In a hearing (August 1, 2012), Charles K. Edwards, the acting inspector general of the Department of Homeland Security, made known that 2,527 DHS employees had been convicted of crimes (corruption, disclosure of classified information, espionage, smuggling, among others).

It is even easier to demonize the greed of high-paid executives in banking and investment. Economists, incapable of even explaining past breakdowns, advance doubtful risk management methods and cash in at both ends: from the schemers and from their victims. Americans are mad at those who brought them down from the illusion of well-being, on credit, to a precarious reality. The insecurity of so many people (the “99%”) stems from the delayed realization that they mortgaged their futures under assumptions that turned out to be false. The government that they thought would save them is failing them miserably.

Early into the crisis, economists and politicians assured society that life would return to normal, that all that was necessary was less greed. What nobody has dared to do is to take a mirror to the American people and tell them that they are as much to blame as the “1%” so justifiably denounced. (It feels good

¹⁶² For the sake of example: The FDA, captive to the drug industry, did not prevent Vioxx, Zoloft, Crestor, and hundreds more medications from endangering the public. Pipeline explosions (Bellingham WA, Carlsbad NM, Alaska’s North Slope, Carmichael MI, San Bruno CA) killed hundreds, injured many more, destroyed homes, and damaged the environment. Federal agencies had been alerted to the dangers, but did nothing to prevent the breakdowns.

to knock down the wealthy after trying, and failing, to imitate them.) Lulled by the illusion of prosperity in the transaction economy, Americans are not engaged in finding alternatives to living well beyond their means. Stupidity always nurtures complacency. Rhetoric aside, telling the people, “It’s our stupidity, stupid!” will not win many friends (or votes).

The bursting of successive bubbles—raw materials, currency speculation, stocks, dot.coms, real estate, and derivatives—reflects the contribution of Americans at all socioeconomic levels to creating the bubble in the first place. These “bubbles” are the necessary output of speculative drives defined as “transactions.” Children enjoy blowing bubbles only in order to burst them. America, a society of adults, seems to be compensating for a missed childhood, playing with bubbles, and even betting her future on them. Economics, the most bubble-like theory, advanced a definition for “bubble:” “trade in high volumes at prices that are considerably at variance with intrinsic values.”¹⁶³ Our “doctors of the economy” have access to all the instruments they need in order to take the “temperature” and the “pulse” of the economy. Yet they have no idea, despite their Royal Bank of Sweden Prizes (sold to the world as Nobel Prizes, which American economists award each other), how to diagnose it until the illness is irreversible. Not one of them has offered a convincing argument that this financial crisis, part of a larger pattern of breakdowns that extend to aspects of life beyond the economy, might be symptomatic of a more profound condition.¹⁶⁴ Stupidity is not a parameter in their equations.

To refer to Marx’s discussion of the nature of capitalism is tricky. His contributions to a theoretic foundation of capitalism are always presented in a language that undermines rational discussion (“The commies are coming!”). Let us only take note of the fact that the word “capital” conjures the word “profit,” and the unavoidable tendency to maximize it. Within this very simplified context, capitalism translates as opportunity, as well as risk. Competition stimulates innovation, rewards creativity, and punishes, without mercy, those less competitive. To be successful today is to succeed against others, before someone else will, unavoidably, get to you. Creative self-destruction—period. Marx or not.

163 This definition of “bubble” dates back to the early 18th century and the South Sea Bubble.

164 For two exceptions to this condition, see Thomas B. Edsall, “No More Industrial Revolutions?” *New York Times*. 15 October 2012: <http://campaignstops.blogs.nytimes.com/2012/10/15/no-more-industrial-revolutions/>. Edsall cites Robert J. Gordon. Both maintain that we are in an unprecedented economic, and hence political, age; and question the application of remedies applied in the past.

America is a product of capitalism. The USA is proud to proclaim herself a successful capitalist economy. Owners of capital from Great Britain started the enterprise that became a collection of colonies, and eventually an economic republic. Many Americans argue for more capitalism, erroneously equating it with free market economy, which it is not.¹⁶⁵ They explain America's economic shortcomings as the result of heavy-handed government regulations and bad tax policies. A return to the time when "people were free to pursue their own interests," no holds barred and full speed ahead, is their utopian answer to all that ails the economy. Those who want capitalism reined in point to the widening discrepancies between rich and poor, as well as to corruption, waste, tax loopholes, and government programs that favor the already wealthy. Their alternative might be social capitalism, similar to that of Germany, France, and the Scandinavian countries. Neither of the two polarized perspectives is based on the recognition that America is fundamentally not a country, but an economy.

In the USA, regardless of the party in power, more capitalism would mean an ever-increasing obsession with profit, and less capitalism would mean more government and the costs associated with it. America operates with both options at the same time, and wonders why it feels like she's tearing herself apart.

Addiction to Cheap

America was always addicted to the cheap. It can be argued that the War of Independence was fought exactly because the colonies wanted to stop being the cheap resource for Great Britain. It was England's policy to force the colonies to send raw materials back "home" for processing. Thus, industry developed closer to the powers in place, and the population in England could be employed. The colonies, with vast lands, were to remain chiefly agrarian, dependent on the British "venture capitalists" of those years.

An argument can be made that the Civil War was fought for similar reasons. In the southern states, which were mainly agrarian, slaves were the cheapest source of labor. The South provided the raw materials (especially cotton) needed in the North's labor-intensive manufacturing economy. The claim went that no matter how expensive a slave was to purchase, no white man would do

165 Stiglitz, Joseph. "The US Does Not Have Capitalism Now." CNBC. 19 January 2010. Web. <http://www.cnbc.com/id/34921639/US_Does_Not_Have_Capitalism_Now_Stiglitz>

the work of a black slave for the same price. He was too busy working, almost like a slave, on his own small farm, or as a small tradesman, or as a craftsman. The South, the domain of the rich plantation owners, would not give up its competitive advantage short of going to war. It sounded good in those years to proclaim the USA a national entity, and declare, as Lincoln did, that the Union must be preserved. In reality, the visionary president fought to preserve America-the-Economy as the “union” of markets. American industrial capitalism owes Lincoln more than a monument.

Addiction to cheap labor was nourished from various sources: waves of immigrants who worked for low wages in factories and mines, child labor in textile mills, female labor in garment sweatshops, Chinese labor in building the railroads. Owners of capital continuously increased their wealth; laborers remained poor in terms of real income and living conditions. In what was supposed to be “classless America,” this dynamics of the economy split society into two main classes: the capitalist wealthy and the working poor. Educated professionals and intellectuals made up a small middle class, who lived closer to the lower end of the income scale, unless they had inherited means. Gains in working conditions, pay, and compensation were fought tooth and nail by capitalists and the government representing their interests. Any concession to the laboring masses, such as Theodore Roosevelt’s reforms in the food industry, Franklin D. Roosevelt’s Works Progress Administration (WPA), and job creation projects, were attacked by America’s most illustrious (read: wealthiest). Ford’s philosophy of paying the worker enough to buy the product he was making proved an inspired course to follow for the benefit of the economy. Mass production rendered manufactured goods more affordable. Eventually, what was cheap for the rich became affordable for the rest of society (if not through cash, then through debt). Commercial democracy supplanted political democracy.

The argument was made that the rich were rich or became rich as an outward sign of inner virtue. This was the belief of a society that proclaimed the ethics of the Puritan religion. Consequently, because one earned more and had more, one was worth more. Personal value, in this view, was reflected by what one owned and by the money gained at work. This way of thinking had serious consequences for an increasing number of Americans as they prospered (often on credit), some becoming shareholders in the companies they worked for. America, the land of opportunity!

Other People's Money

Decades after the post-WWII industrial boom, the USA entered a new pragmatic context: the post-industrial age. Even though the wealth of Americans increased in this context, they continued to seek the cheapest resources and labor, as well as the most profitable markets. This is capitalism. Globalization is the outcome of the necessary process of increasing efficiency. Owners of capital became richer, and the rest of the population was given access to a level of prosperity as seductive as it is addictive. America's current living standard is attained at the expense of the rest of the world.

No one forces the Germans to sell Porsche, Mercedes, and BMW cars here, or the Japanese to sell Lexus and Infiniti, or the British to sell the Rolls Royce and Land Rover. The insatiable American market for cars and trucks, fired by debt, and by geographic sprawl within a vast territory, is an opportunity. Without it, foreign car manufacturers could not continue to grow year after year, while American auto companies lose their market share. No one forces French luxury items—fashion, watches, perfumes, wines—on American consumers. Italians, the Swiss, the Dutch, and the Belgians export to the USA more than what they consume at home.

The USA imports many more products and services than it exports. It no longer produces what does not make a high enough profit. China has become America's manufacturing base: its skilled workers are so cheap that American labor, underpaid as it is, has no chance to compete. China delivers not only to Walmart and Target, but also to high-end outlets, even to defense contractors.

Americans buy a great deal of less-than-necessary things. Around 50 percent of Americans do not earn enough to afford them, and do not ask themselves how they will pay for never-ending purchases (Christmas gifts or not). It is sheer stupidity (action to the detriment of those performing it) to live on credit without even wondering where the money to pay up will come from. It is even worse to believe that the USA will always live up to its slogans: a high-paying job, good returns on investments, increasing home values, no health problems—no problems at all! As a systemic characteristic of the transaction economy, to live on debt is to contribute to the acceleration of the movement of capital.¹⁶⁶ Average debt per household, not considering the share in US government liabilities, is rapidly increasing. Interest on debt is already high

166 John R. Commons maintained that transactions form the basis of economic activity. See: "Institutional Economics," *American Economic Review* 21 (1931): 648-657. The term has also been used to describe post-industrial capitalism.

enough to spawn businesses willing, for a fat fee, to negotiate deals with credit card companies, and with the IRS for delinquent taxpayers. In fact, in the transaction economy, debt leads to new business opportunities. And to the depreciation of life: credit always means handing over one's future for immediate satisfaction. To paraphrase the Bible: It tastes sweet as honey when you take the first bite, but turns into bitter gall soon after the early satisfaction wears off.

To ignore debt might bring on some headaches—harassment from collection agencies, threats of garnishing wages or putting a lien on a one's home and assets. But no bank will quickly put a stop on a person's credit card. In no other country will a bank offer .25 percent interest for large accounts (over 100 thousand dollars) while charging over 20 percent interest on credit card balances, sometimes going up to tens of thousands of dollars.

There is also the reality that behind the smoke and mirrors driving the transaction economy of the post-industrial age is the sense of entitlement, of deserving something without actually earning it, that Americans have acquired. They feel entitled to homes, SUVs, iPods, mass travel on holidays, the latest fashion, and video game consoles. Even the recipients of various types of welfare payments believe that the iPhone, iPad, and widescreen digital TV on large monitors are a right. This must be the reason why the federal government distributed "Obamaphones," to them (succeeding the "Bushphones,"), that is, subsidized access to mobile phones!¹⁶⁷ This is only a small business opportunity associated with entitlement transactions. All this, because the once-upon-a-time mighty dollar, although getting weaker and weaker, is still world currency, and can be printed as needed, and leveraged against the still very wealthy USA. At the high end, private equity funds and the like return not phones, but ownership of profitable adventures: movie-making, sports, entertainment, and so on. All this in exchange, of course, for a say in who governs and what laws are passed, especially those protecting their turf. Through so-called social programs, even debilitating poverty is monetized, with the same fervor as opulence is.

Post-industrial capitalism swapped sustainability, based on real and tangible assets, for growth fueled by debt. Real assets, no matter how they're accounted for, are limited: land does not expand, minerals will not last to infinity, current

167 The Obama administration's "Free Cell Phone Program," part of the "Lifeline Program," offers a free cell phone and 250 free minutes each month. The Lifeline Program goes back to 1996, providing discounts on landline phones for the financially disadvantaged. President George W. Bush extended it to cell phones in 2008.

fossil-based energy reserves will eventually run out. Debt is not limited. Programs meant to alleviate extreme discrepancies between the haves and have-nots were built on this model. Such programs are, at least, morally (at least) justified. But they are, unfortunately, quite unlike what they claim to be. The “affordable housing initiative” has the ring of social justice and noble intentions.¹⁶⁸ So do the various tax deductions for mortgage interest (on first and even second homes), car loans, home improvement loans, and so on.

In reality, there is no evidence that mortgage interest deductions promote home ownership among people with limited means. In fact, there is no evidence that free phones help people get out of dependence and misery. And there is no evidence that hundreds of millions of dollars invested in one or another movie, made them better or more meaningful. But there is ample evidence that they created transactional chains. Tax deductions, for example, correlate with higher bank profits and with speculative activities (in real estate, insurance, derivatives). As a matter of fact, homes meant to be made affordable to low-income individuals and families become more expensive not only because demand drives prices up, but also due to the bureaucratic overhead attached to acquiring them. All the transactions associated with “owning” (a euphemism, at best) a home are subject to costly legal provisions, despite the stated intention to make owning affordable. Costs such as mortgage initiation fees, assessor’s fees, points, title insurance, homeowners insurance, and the list goes on, sometimes add up to 10 percent of the home’s actual value. (Through a very clever mathematical formula, banks load interest into the first years of a mortgage. Profit for the banks comes first.) In many cases, these costs are included in the mortgage, not only raising monthly payments, but also adding to the interest due. This is but one example of the artificial creation of employment. The simple transaction structure—home seller-homebuyer-real estate agent-bank—is turned into an expensive multi-layered construct. All these mechanisms are nothing but engines for moving capital faster and faster: from the bank to the many intermediaries involved in “affordable” homes. A “free phone” is yet another transaction from which the already rich (the telephone companies, telephone retailers, and other service providers) profit more than the recipients of subsidized access to mobile telephony. Food stamps help to move more wares at taxpayer expense.

168 The National Housing Act, creating the Federal Housing Administration (1934). The Department of Housing and Urban Development was part of President Lyndon Johnson’s Great Society (1965). The Community Reinvestment Act (1977) was expanded through the Clinton Administration’s *National Homeownership Strategy* (1995), which pressured banks to lend to homebuyers who could not afford a prudent down payment for a mortgage.

These simple facts escape the understanding of the people who think they benefit from government gifts (rather, forms of political endearment). The system conditions them to feel lucky for the opportunity to pay more, in the final analysis, and to become more dependent. In reality, government intervention leads the majority of the population to take on the perennial condition of debtor.

The same pattern is now repeated in tuition loans for college students. What higher cause than education? When students must start paying back, they will be paying for the entire bureaucracy built up to service that aid. Meanwhile, college costs keep going up. Here again, those in power advance transactional capitalism. The population has to accept various laws, regulations, and programs intended to help the next generation. But it has to take on debt in order to finance the ever-growing profits that capitalism seeks. "I couldn't believe the accumulated wealth they [people in debt over their heads] represent—for our industry" one consultant candidly, almost cheerfully, explained.^{169,170} Lending money that the government guaranteed to the banks was a win-win situation. The fact that it was a lucrative business is proven by the fact that the transaction economy squawked when the federal government decided to stop using intermediaries for these loans, in order to save money (the government was losing 20 to 25 cents on every dollar).¹⁷¹

The USA's debt is neither smaller nor greater than the wealth of those from whom opportunistic politicians ask to pay higher taxes. In all honesty, they should state: We politicians made it possible for you to acquire all this wealth. Now it's time for you to return some of it before America goes under. But nobody dares to put it straight to the rich. They are the ones who support politicians with huge donations. Tax deductible donations, of course.

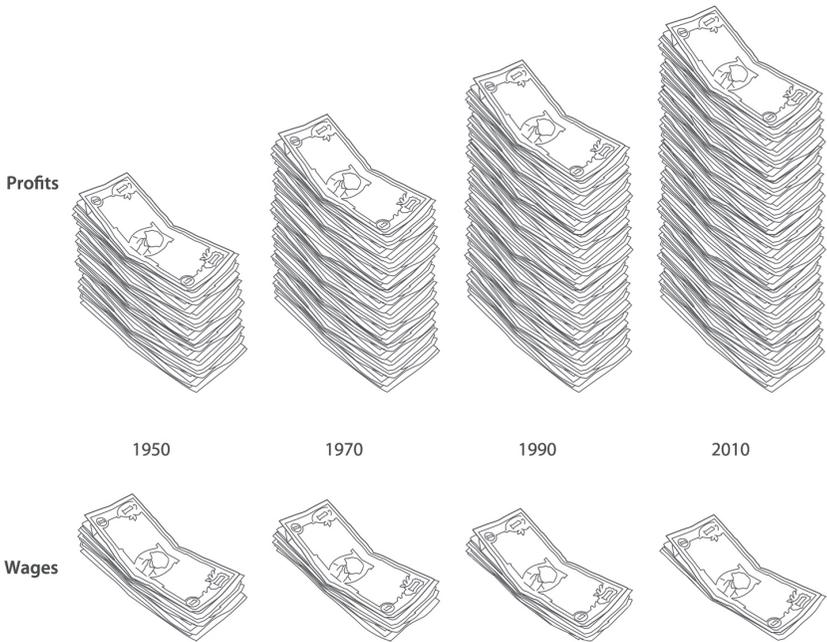
Capitalism is Never Patriotic

Compared to 50 years ago, wages (converted to current dollars) did not increase, but the profits made by the owners of the economy grew by many orders of magnitude.

169 Ashton, Jerry. "A Love Letter from Your Student Loan Bill Collector." *InsideARM.com*. 23 February 2011. Web. <<http://www.insidearm.com/opinion/a-love-letter-from-your-student-loan-bill-collector/>>

170 Martin, Andrew. "Debt Collectors Cashing In on Student Loans." *New York Times*. 8 September 2012. <http://www.nytimes.com/2012/09/09/business/once-a-student-now-dogged-by-collection-agencies.html?pagewanted=all&_r=0>

171 Herszenhorn, David, and Tamar Lewin. "Student Loan Overhaul Approved by Congress." *New York Times*. 25 March 2010. Web. <<http://www.nytimes.com/2010/03/26/us/politics/26loans.html>>



Average hourly earnings decreased as profits multiplied. Minimum wage decreased 9.3 percent, while production worker pay increased by 4.3 percent. Profits increased by over 300 percent.¹⁷²

If the people at the lower level had been indeed helped, as demagogues of all political stripes trumpet, their incomes should have increased. Without having to take on large debt, or becoming dependent on so-called social programs, they should have become able to afford housing, cars, and whatever else belongs to the American standard of living. But this was only partially the outcome. Profits increased, equity funds exploded, while debt gripped the vast majority of Americans. In addition, abject poverty spread like a contagious disease.¹⁷³

Banks speculate on debt because it is no longer their debt. Risk is apportioned to those who seek help through financing, and to those who buy the debt.

¹⁷² Illustration based on data from the Bureau of Labor Statistics, US Department of Labor, and the Federal Reserve Bank of St. Louis, Missouri.

¹⁷³ Between 1996 and 2012, the number of households living on less than two dollars a day per person has more than doubled: from 636,000 to almost 1.5 million (cf. National Poverty Center, *Policy Brief*). According to the US Census Bureau, the rate of extreme poverty is close to 7% (1 in every 15 Americans)!

Through leveraging the debt mechanism, America socialized luxury at the expense of underpaid employees and the unemployed. Deducting the cost of leasing expensive cars (a modest Porsche goes for 1500 dollars a month), boats, and airplanes, and taking mortgage deductions on McMansions are legal ways of becoming richer by saving on taxes. America is the world's champion at socializing luxury on this scale.

There is more to the story of debt in post-industrial capitalism. Each time the USA faces some financial crisis, the Federal Reserve lowers the interest rate—after 2008, it went as low as one-quarter of one percent. For those captive to the Depression model, the reason is simple: to make credit cheap, because once capital is available, and pumped through government programs labeled “stimulus,” the economy will restart. This theory held, more or less, until the financial crisis of 2008.

Stimulus and bailout money were supposed to crank up the economy. Banks would lend again; consumers would have the means to purchase more. The engine would rev up; another cycle of prosperity would start. It has not happened. The world has changed fundamentally! Post-industrial capitalism, which is based on self-multiplying transactions works differently. What did happen is that banks accepted the money (free, or at bottom interest rates) from the government. Lending—for construction, for expansion, for infrastructure, for mortgages, and other social activities that would spread the wealth by creating employment opportunities—would have helped. But the banks preferred to use the money for their own profit. After paying big bonuses to those whose schemes led to the financial meltdown, they took advantage of the spread between the interest rate the government charged for the rescue funds (close to zero) and the interest rate on Treasury bonds (close to two percent at the time). Instead of investing in projects that would stimulate the economy, they bought the bonds and made huge profits. But if a higher profit could be had elsewhere—no matter where—they would have invested there. The entire world over is not large enough for their around-the-clock transactions. Everything was in arbitrage: minimum price differences yielded maximum returns. The Americans who saved the banks, at the average cost of \$4,000 dollars in lost income (compared to pre-recession income), were not their priority.

Industrial capitalism was confined within national boundaries. Successful capitalists could write “Patriotic” on their business cards: “We did it for America!” In the post-nation age, however, maximizing profit is the only proof

of success, even if it hurts those at home and produces growth somewhere else. The USA dealt with its crisis as a national event, although it triggered a worldwide recession. The knee-jerk reaction was to throw money at the crisis at home. The claim was: We had to do it or it would have been worse. Such national measures, however, no matter how grandiose (“We really should have spent more”), only buy time.

Structural changes were actually needed. But deep-reaching measures take time. Consider only what it would take to restructure the tax code—a monstrosity not only in size, but also in its irrationality. Consider as well what it would take for America to think about post-capitalism. No one in a position of influence (including in the media), regardless of political party or economic status, has taken such changes into consideration. No one, not even the academics, set forth an appropriate strategy.¹⁷⁴ The goal was, and continues to be, a return to a normality, by which they mean a return to the past. This so-called normality corresponds more to a limited understanding of our age than to reality. Americans, not even progressive Americans, never challenged this conservative position.

A huge amount of money is available for speculative buying. The seeds of the next crises are sown in the still ravaged economic landscape of post-recession speculations. Sheer irrational consumption, stimulated for the sake of “saving the economy,” also contributes a background for instability. The smallest turbulence can cause havoc, but nobody is really worried. America saved herself with other people’s money. Why should it be different next time?

Cheap credit—more money pumped into the system—facilitated by the Federal Reserve, has engendered high levels of indebtedness. Benefiting from corporate welfare, banks and investment companies continue to exploit the situation. Stupidity, expressed as unwillingness to face reality, accepts promises that an educated person, or at least a normal mind, should never even consider. “Our children will have it better than we did” encapsulates this belief.

But blame lies not only with the capitalists, or with the “1%,” or even with the demonized “0.1%.”

174 Under the auspices of the New America Foundation’s Economic Growth Program, Daniel Alpert, Robert Hockert, and Nouriel Roubini elaborated the most sensible plan to date: *The Way Forward: Moving From the Post-Bubble, Post-Bust Economy to Renewed Growth and Competitiveness* (October 2011). See: http://newamerica.net/pressroom/2011/in_case_you_missed_it_the_way_forward

Cheap Is An Illusion

Apple Computer, Inc. charged \$749 for its iPhone 4, if purchased off-contract. (The iPhone 5, released in 2012, costs \$649 without a contract.) Of this, \$196 is the cost to manufacture it.¹⁷⁵ Prices for Adidas adult sports shoes run from \$80 to \$220 for its Predator™ Soccer shoe.¹⁷⁶ Cost to make the shoe: \$.88 to \$3 (according to a university class in market research). That includes raw materials, production facilities, waste disposal, and labor. It is easy to determine where the lowest cost lies: Chinese factory labor ranges from \$.80 to \$2.50 per hour.¹⁷⁷ No American manufacturer, not even those enjoying stimulus or some other form of subsidy, is allowed to match such wages. Money on such products is not made in China, India, or Indonesia, however, but in America—by those already in the envied “1%”—due to the simple fact that the “99%” cannot get enough of the hyped, overpriced brands. This is the transaction economy: you don’t make things, you market them to those conditioned to give up common sense. As long as their addiction to name brands and the latest gadgets is satisfied, the “99%” doesn’t care.

Throughout America, people wanting to buy the latest Air Jordan basketball sneakers (traded online for \$500.00) resorted to violence (including the use of guns) to ensure that they would get “theirs.”¹⁷⁸ For the same reason, many Americans don’t care that Chinese workers are exposed to conditions that the USA outlawed over 100 years ago: long hours and exposure to dangerous dust, chemicals, and fumes. They care even less that workers are subject to ill treatment and abuse by their employers—e.g., the infamous Foxconn manufacturer of Apple gadgets—to the extent that cases of abuse-driven suicides are on record. They don’t want to know that child labor is used to make their toys. Gadgets are the new idols. Every now and then, they make a fuss that many Americans (eight percent, but closer to a real rate of twenty percent) lost their “good” jobs and can’t find work. But they certainly care about buying products cheap, and still on credit. If anyone made those jobs move abroad, it is definitely the American consumer.

175 Shanklin, Will. “How Much Does the iPhone 4S Cost Apple to Make?” *Geek.com*. 11 October 2011. <<http://www.geek.com/articles/mobile/how-much-does-the-iphone-4s-cost-apple-to-make-20111020/>>

176 *Adidas.com*

177 “The iEconomy: How Much Do Foxconn Workers Make?” *New York Times*. 24 February 2012. <<http://economix.blogs.nytimes.com/2012/02/24/the-ieconomy-how-much-do-foxconn-workers-make/>>

178 Martinez, Michael and Adam Shivers. “New Air Jordans Still Incite Shopper Violence 9 Years After Player’s Retirement.” *CNN U.S.* 24 December 2011. Web. <<http://www.cnn.com/2011/12/23/us/air-jordan-violence/index.html>>

After the economic crisis in Asia, only eleven to twelve years ago, many of the countries affected let their respective currencies stay undervalued. It helped their exports. Whoever sells cheaper can beat the competition. Cheaper, all things being equal, means cheaper labor. For the transaction plutocrats, it means higher profits. Better-paid manufacturing jobs evolved into the lower-paid job, in various retail outlets, of selling what others made. Asian companies got paid for their exports and had very good balance sheets. This explains their currency reserves. China has constantly invested in US Treasury bonds while maintaining the yuan, its national currency, undervalued. Chinese trade surplus money enticed Americans to buy more and more cheap products, made in China, of course. Walmart (“Chinamart,” as it has become known) became bigger than life.

The USA Is No Bargain

China could buy the USA out of its economic crisis. Indeed, it buys bits and pieces all the time. Under current circumstances, though, to buy the USA as a whole would be a bad investment. Sure, if they bought America, they would own the most expensive military power (instead of having to build their own on the cheap). The know-how accumulated in research and educational facilities would be theirs. So would theaters, opera houses and symphony halls, along with symphony orchestras (the ones not yet bankrupt). Television, radio stations, and film studios would be theirs, too. They would own the most expensive football players, golfers, and basketball stars (the ones not yet in the portfolios of Russian oligarchs). The beautiful tourist destinations would be part of the inventory. Hospitals and sports facilities would change ownership. But neither China nor any other wealthy country (not even the United Arab Emirates) could afford to own it all.

Once you own the USA—like Americans, in principle, do—you realize that you cannot afford the luxury. Debt and long-term liabilities (on both federal and state levels) are not a small measure of the high price of owning this paradise on Earth. Who would pay for the retirement of soon-to-be 50 percent of the population? For the pensions of public employees? Entitlements alone exceed one trillion dollars (and growing)? Everyone who fought wars for the USA and ended up traumatized for life needs care. Add to this all the benefits that those in power reserved for themselves after their terms of office end (and the cost of more and more self-aggrandizing presidential libraries). The USA is expensive to run—check out the price of government—and even more expensive to maintain. America’s infrastructure, once a model for the world,

is far too run down to fix. Every hurricane, rainstorm, blizzard, and drought reveals how bad it is. And the USA is too dysfunctional, and Balkanized, to manage.

Paradoxically, while the majority of Americans works at the income level of 50 years ago, even the economy is expensive. It is overregulated to an extent that output in political correctness is greater than its efficiency. The early subsidies for agriculture and unchecked military—two wars unaccounted for in the budget—are the tip of the iceberg. Support for ethanol production and for discovering new oil and gas reserves add up to billions. More recently public money was disbursed to start-ups designed with the sole purpose of being sold, or going bankrupt, while the entrepreneurs made money in the interim. Those who claim entitlements at the high end—the plutocrats and oligarchs—are demanding. To be wealthy, which they consider a right, is to afford billions (and have an official residence abroad). Their status stands in no relation whatsoever to their contributions to society or to the economy. They are charitable at the expense of others, since taxes, of those who still pay them, must compensate for their large, tax-deductible (and self-celebratory), donations.

The reality is that China, the only serious candidate, could not afford the USA. As things stand now, Americans seem to be no longer able to afford her either. Therefore, each individual's well-being takes precedence over that of his or her homeland. The fact that less than 50 percent of the population cares to vote is only limited testimony to their indifference. As post-industrial capitalism generates stupidity, it literally disenfranchises the vast majority. They no longer believe that their vote counts, and it definitely does not when the mathematics of electoral votes defines Ohio as the center of the universe. They prefer to follow the call of their leaders, who say, "Go shopping! We'll take care of the rest." Seen from abroad, the USA is dysfunctional in practically all its policies, including democracy, which is more an illusion than a reality. Election campaigns are huge employers: they hire thousands of people for various jobs, however temporary. And they are another example of transactional capitalism, *par excellence*. They also offer ample evidence for the qualifier "dysfunctional." It is not money—their own or that of contributors—which should qualify someone for running for office, but a political program. Almost no candidate has one. But they have the best computer programs for engineering the outcome of what is mislabeled "elections."

Built on the cheap—including political promises—the USA is not sustainable in its current condition. At the same time, Americans themselves are not

prepared to face reality. To become what most Americans would like it to be, or claim it already is—"the last best hope for mankind"—they would have to free themselves from many illusions. Most importantly, Americans would have to rediscover that rights and responsibilities belong together. Freedom and democracy are not a gift from those in power, but rather goals to be continuously reaffirmed. Authentic freedom and democracy entail responsibility. Only free and responsible people can keep people in positions of power in check.

A TALE OF TWO SUPERPOWERS

IV

A TALE OF TWO SUPERPOWERS

Once upon a time, not so long ago, there were two superpowers: the Union of Soviet Socialist Republics—Soviet Union, or USSR for short—and the United States of America, the USA. The USSR, made up of 15 republics, was home to almost 300 million people living on more than eight million square miles of territory. Over 200 languages and dialects were spoken by the 182 nationalities within its borders. Literacy in Russian was close to one hundred percent. More than 5.3 million students were enrolled in the universities, many more in vocational schools. Education was free through university, and the system produced excellent scientists, scholars, and highly qualified professionals. Free medical care was available to all. The USSR was self-sufficient in energy resources: it was the world's largest producer of oil and natural gas, and the second largest producer of coal. A vast network of power plants (hydroelectric, thermoelectric, nuclear) covered energy needs. Power lines installed throughout the immense territory made electricity available to a large majority. Natural resources were also abundant. One-third of the world's forested area was in the Soviet Union. The world's largest fishing fleet bore the red flag. The nation's industrial base was diversified, with 40 percent of the workforce in construction and industry. According to accepted statistics, close to the Soviet Union's fall, the estimated GDP was \$2.4 trillion (in 1989 dollars), with an annual per capita income equivalent to US \$8,500.

The state controlled salaries. Everyone but the political class was equally miserable or happy. Trade, however, did not exceed four percent of the GDP. The balance of trade remained favorable until 1985. The USSR claimed to adhere to the principles of a socialist economy. Needless to say, some of its critics from within and without were not convinced that the type of socialism practiced was true to the doctrine.

The military might of the USSR consisted of five armed services. Six million troops in uniform (75 percent conscripts, 5 percent career enlisted, 20 percent officers) made up the world's largest military establishment. The Strategic

Rocket Force, controlling ground-based nuclear missiles and operations in space (around 300,000 in 1989), the Ground Force (around 2 million), the Air Force (around 500,000), the Air Defense Force (around 500,000), the Naval Force (500,000), and the Paramilitary Force kept defense spending at fifteen to twenty percent of the GDP.

The territory of the USA is less than three million square miles, one-third that of the former USSR. Her population, living in 50 states and several territories (Virgin Islands, Guam, Puerto Rico) is currently estimated at 310 million. While many ethnic communities speak the language of their respective countries of origin, English is the language Americans use, with Spanish becoming a second “unofficial” language. Functional literacy is estimated at about 85 percent, although 50 percent is probably closer to reality. Free public school education through the first twelve grades is provided by each state with subsidies from the federal government. Several state-run colleges and universities offer higher education at a cost lower than that of private institutions, but it is by no means free for the student. The USA provides Medicaid (different from state to state) to the very poor and Medicare to people over 65 years of age who contributed to the program. The USA could probably be self-sufficient in energy (recently discovered resources make it possible) if her people were not so wasteful. The country was a leading industrial power, especially after World War II; it still leads in some sectors, especially digital technologies, aeronautics, cinema, and entertainment. American farmers produce surplus amounts of food each year. The GDP of the USA is over fourteen trillion dollars, with an annual per capita income of around \$48,300 for 2011 (according to the International Monetary Fund).

According to the Trading Economics Website after World War II, America led the world in imports while simultaneously remaining one of the top three exporters.¹⁷⁹ As reported the main exports are machinery and equipment, industrial supplies, non-auto consumer goods, motor vehicles and parts, aircraft and parts, feed, food, and beverages. The USA imports non-auto consumer goods, fuels, production machinery and equipment, non-fuel industrial supplies, motor vehicles and parts, feed, food, and beverages. Canada, the European Union, Mexico, China and Japan are its main trading partners. The last time the USA had a positive trade balance was in 1973.¹⁸⁰

179 “Balance of Trade.” *Trading Economics.com*. Web. <http://www.tradingeconomics.com/Economics/Balance-Of-Trade.aspx?Symbol=USD>

180 Census.gov. Web. cf. <http://www.census.gov/foreign-trade/statistics/historical/index.html>

The USA maintains a large military establishment, consisting of army, navy, marines, air force, and the National Guard. It is composed of well-trained career officers, and, since the draft was abolished in 1973, men and women who enlist to serve. The American military is present all around the world. The official count is 662 bases in 38 countries, but estimates go as high as 1200, with a total personnel of over 500,000. According to the Department of Defense, its budget was over 533 billion dollars in 2010, and rising each year.

The USSR once shared the title of “superpower” with the USA, her declared nemesis. As of this writing, the USA is the only remaining superpower. After transcending its agrarian beginnings, she became the model of a capitalist economy and the world’s main proponent of free market economy. To nobody’s surprise, many voices (often evoking the country’s beginnings) loudly claim that the USA does not really conform to the definitions of “capitalist economy” and “free market.” There is too much government intervention, and not enough freedom given to market processes. That is, there is too much regulation, too much protectionism, and too many entitlements.

The most orthodox adherents of communism would claim that the Soviet Union fell because it was not faithful to the principles upon which it claimed to be founded. The parallel is telling. To some people’s minds, the USA is not capitalist enough, and this might ruin her. The Soviet Union, its native critics would say, was not socialist enough, and the nation paid dearly for this. There are yet others who are convinced that the USA, under the presidency of Ronald Reagan, caused the “evil empire” to fail. Years later, commentators in both the USSR and the USA would claim that the Soviet system failed because it could not adapt to the new global context of life and work. In other words, the USSR remained hostage to its past. The USA might soon find herself in the same predicament.

The voices proclaiming the eventual demise of the USA are getting louder, and there are new arguments supporting their prediction. For example, the dollar will no longer be the *de facto* world currency. The weakening American economy caused the dollar to lose value to the British pound sterling in the past 60 years, and, since 2003, to the troubled Euro. Other arguments harken back to the beginning of the USA. Conservatives are not the only ones deploring an America far removed from what they believe to be its foundation. The analytically minded—e.g., scientists, entrepreneurs, economists—argue that America is changing too slowly and not in the right direction. The most recent crisis entailed the further socialization of

risk through the so-called bailout and stimulus programs. The plutocrats (exercising the rule of the rich) and the new oligarchs (exercising political power) are opposed to government programs and regulations that provide various protections and benefits to the less fortunate: labor rights, minimum wage, extended unemployment benefits, food stamps, etc. Ultimately, more than anyone else in society, the rich and powerful benefit from capitalism and the privileges it offers to them more than to anyone else. But when the going gets rough, as with the recent recession, they had no qualms in abandoning capitalist ideology.

The apologists of Soviet-style socialism never tire of bringing up its many virtues, some of which are mentioned above. They still live with the conviction that sooner or later, the world will embrace socialism, although obviously it had better be a different socialism than the one that failed miserably in the USSR and all the satellite countries that made up the Soviet Bloc. Similarities between the “dissimilar” ideological, political, and economic systems represented by the USSR and the USA need to be put in a context broader than that of power.

Not All Empires Fail the Same Way

How viable communism and capitalism are is still subject to debate. Some experts predict that eventually both systems will fail. Ravi Batra devoted his book, *The Downfall of Capitalism and Communism: A New Study of History* (1978), to the subject. He has lived to see the downfall of the USSR. The second edition (1999) of his book changed the original title from “A New Study of History” to a rhetorical question: “Can Capitalism be Saved?” Many others have asked the same question, particularly since the post-2008 recession. Historical change (evolution, revolution), the subject of Batra’s exercise, is not new. The biologically inspired model of a cycle of ascension (from birth to the offspring’s self-affirmation), supremacy (the young take over), and decline (they, too, eventually age and die) inspired good and bad publications. But this model is of no help in assessing the future. The beginning years of the Soviet Union—which in 1923 included only four republics—were probably as idealistic and bloody as those of the United States. They were also probably as promising. A new society was established; its members were encouraged to ascertain their hard-won liberties. Americans, with their own experience in acquiring their rights and independence from under monarchy, remained generally sympathetic to the survival of the new Soviet Union.

The romantic phase of the communist state, proclaiming liberty and equality for all, passed in the twinkling of an eye. America, which had needed a Civil War in order to live up to its inaugural proclamations

eventually sacrificed its own founding principles: for example, the Palmer raids (1919-1922) and later, the witch hunt spearheaded by McCarthy. The former resulted in the deportation of many supporters of socialist ideas; the latter in blacklisting suspected communist sympathizers. Freedom of speech, anchored in the Bill of Rights, was loudly promulgated, but only haltingly practiced. One could, so it seemed, speak freely, but not think freely. This was shocking for those who believed that America would ever pursue the thought control characteristic of the Soviet Union. The fact that the American Civil Liberties Union emerged in that context is not an accident. It was, after all, civic actions that made “freedom of speech” the reality it is today in America (for better and for worse).

The theory developed by P.R. Sarkar (which inspired Batra’s work) begins by acknowledging “inherent differences in human nature,” that turn out to be “characteristics of the mind.” Sarkar’s error is very revealing: he, Batra, and other authors of a similar mindset fail to realize that pragmatics lies at the root of all human dynamics.¹⁸¹ It is *what we do*, not *what we think* or *what we say*, that counts first and foremost. And what people do shapes their thinking. The Soviet Union tried to change people’s thinking. Freedom to act, to innovate, to compete was part of its romantic language, but not part of the practical experience for creating the perfect socialist citizen. This fact escaped Batra as it escaped the Italian Senate, which awarded him its medal for predicting the downfall of the Soviet Union. It also escaped the minds of those thinkers who after 1990, started examining the chances of the downfall of the USA, and consequently of capitalism. Downplaying such voices, Americans still think highly of their accomplishments. And they have good reasons for this. What undermines America is not some defeatist instinct, but rather an attitude very similar to that on record in what used to be the Soviet Union before its downfall: People say something, usually the right thing, but practice something different.

The most recent crisis in America—it begins in 2007, but it can be traced back to policies originating in the mid-1980s—only stimulated more pessimism. The majority of this pessimism translated into the tired model of the fall of the Roman Empire.¹⁸² If the decline of Rome, some 1700 years ago,

181 Born 1921, died 1990: an Indian philosopher who denounced materialism and capitalism, producing such works as *Law of Social Cycle*, *Progressive Utilization Theory*, and *Neohumanism*.

182 Murphy, Cullen. *Are We Rome? The Fall of an Empire and the Fate of America*. New York: Houghton Mifflin Harcourt, 2007; Andrew Bacevich, *Limits of Power: The End of American Exceptionalism*. New York: Metropolitan Books, 2008; Kristofer Allerfeldt.

“Two Wars, Rome and America.” *Comparative Civilizations Review*, Spring, No. 58, 2008; Steve Guess (of *The Guardian* in Great Britain).

embodied a historic pattern, its current significance can be considered only in the proper context.

The practical experiences through which Rome became the empire it was are fundamentally different from those we find in the post-industrial age. The fact that the Founding Fathers referred to Rome and its justice system, even establishing a system of checks and balances inspired by Roman law, never made the USA a second Rome. Not even the architectural patterns used in shaping Washington DC as the seat of the federal government are sufficient for inferring from the *imperium sin fine* (empire without end) to the only extant superpower. To understand what might ultimately undermine America requires that we understand why and how this still new republic evolved. The same understanding would have to apply to the rather short-lived Soviet Union.

Just a Thought—Worrisome As It Might Be

Yet another thought sneaks in as we entertain the possibility that the USA is on her own path to oblivion. Given the state of science, technology, industry, and political polarization, isn't it possible that the USA will go the way of Nazi Germany rather than the way of the USSR?

It is difficult, if not impossible, to imagine the USA being taken over by a dictator. The country's foundations are such that this is close to an absurd scenario. But remember, none other than Gödel, the most prominent logician of the 20th century, claimed to have found an inconsistency in the Constitution that would allow the USA to become a dictatorship. He was preparing for the examination by the Bureau of Immigration and Naturalization official. At that time (immediately after World War II), citizenship was granted to those who studied the Constitution and demonstrated interest in the future of America more than in their own prosperity. The examining judge did not probe Gödel for details. From all we know (from Einstein and Morgenstern, who accompanied him to the examination), Gödel's concern focused on the procedure for amending the Constitution. Be this as it may, he was not the first to bring up the possibility of America's being hijacked by power-hungry persons through the amendment procedure.

Nevertheless, not to be dismissed is the fact that a highly educated population, exposed to what at the time (the early 1930s) was very advanced science, technology, economics, and social welfare, ended up acting in ways that qualify as stupid, and dangerously so. Stupid action is always detrimental to oneself and to others. In that respect, the Germans got what they asked for when their country was bombed to smithereens by the end of World War II.

Some of the actions in today's America and some of the growing fanaticism (including that of neo-fascist groups) are worrisome. This is reason to remain vigilant, especially in view of the fact that the military of Germany played such an important role in the events that eventually brought war and destruction to the world.

The Test of Efficiency

Rome did not fall because it was a communist hegemony or because it was a capitalist empire. It fell because its own structural viability was challenged. Under the circumstances of those times, it was no longer an efficient system.

Structural similarities do not translate into the equivalence of systems. Rome was a slave-based economy. Both the USA and the USSR asserted principles corresponding to free subjects, even though slavery in America remained, for a while, if not desirable, at least acceptable. Efficiency is a measure of human activity and testifies to its meaningfulness, or lack thereof. When the output of such activity is less than the effort involved in achieving it, the structure supporting it is in need of change. As long as it can be improved, the system's viability is not in question. At the threshold at which this is no longer possible, it fails.

Rome is an example of a society that reached a phase in which it was no longer adaptable to new circumstances of life and work. The disconnect between the scale of human activity and the scale of the ever-expanding empire under the assumption of slavery and centralism grew beyond the possibility of reform.

In contrast to Rome, the Soviet Union and America came into being as a result of necessary economic developments that were characteristic of the establishment of industrial society. There are quite a few structural characteristics that undermine the viability of their respective functioning and, in the end, their own existence. The Soviet Union's fall affected many countries. America struggles. Her current condition of crisis worries friends as much as it is cause for celebration (way too premature) by her enemies.

The dynamics of the post-industrial age implies the transition from the centralism of the past to decentralized, distributed activities. The USSR could not overcome the ideological goal of centralism, which made everything extremely slow and costly. Surprisingly, the USA, while pronouncing an understanding of decentralized structures, seems unable to effectively facilitate them either. In recent years, the USA, with her delicate balance

between federal and state governance, has become increasingly centralized. In the USSR, self-organization was out of the question. The slogans were right, but the facts—firm control of everything through the party hierarchy—created the reality of passivity and indifference. The high cost of such control further eroded the viability of the system. The socialist citizen, celebrated as free, was reduced to the condition of an atom in the aggregate called “socialist society.” Everything was predefined.

Surprisingly, in America, where every economic consultant preaches a dynamic systems approach that entails self-organization, reality often looks like a copy of what the Soviet citizen experienced. More and more costly rules and regulation, many not well thought out, choke initiative without offering any benefit to society, not even the desired better protection of the individual. Freedom is for speeches and songs, and for stupid actions at the political right, left, and even center. Choices are continuously reduced. What remains available gives the illusion of “I do what I want.” Concretely, this translates into more behavioral options—which clothes, which alcohol, which car, which credit cards, which drugs—than democratic choices. The Soviet citizen, like the American, had the right (even obligation) to vote. But the outcome was not influenced by this vote. Similarly, the outcome of elections in the USA is only marginally affected by the votes of the small percentage (less than 50 percent) of Americans who still care to exercise their right. When political maneuvering and gerrymandering, coupled with sophisticated database management, predetermine elections,¹⁸³ the result is no different from forcing the Soviet citizen to confirm the only candidate on the list. The costs involved in giving the illusion of democracy were high in the USSR, and are no less high in the USA.

Both the Soviet Union and America are in the grip of expensive hierarchic structures, well intent on their self-perpetuation, to the benefit of the political class. They also practice the power of inheritance, nepotism, and entitlement over that of merit. This, in turn, affects motivation. The cost is not only in economic output, but also in human inertia, apathy, and alienation.

Whether one or another leader of the Roman Empire could have prolonged the agony of decline is at best a matter of speculation. It was unavoidable. The same applies to the Soviet Union. Many of its citizens believed that another Stalin could have staved off collapse and restored the USSR to its days of self-proclaimed glory. Others are still convinced that Gorbachev and Yeltsin sold out the country, which someone like Putin could have saved, or is already

183 Poundstone, William. *Gaming the Vote: Why Elections Aren't Fair (and What We Can Do about It)*. New York: Hill & Wang, 2008.

in the secret process of saving. But not even the most naïve believe that history can be reversed. A similar cult of personality drives the USA—many Americans dream of a reincarnation of Washington, Lincoln, Roosevelt, or at least Reagan.

The USA is not immune to failure because it is a so-called capitalist economy, or a free-market representative democracy. As with Rome and all fallen empires (Persia, Greece, the Holy Roman Empire, the Ottoman Empire, Great Britain, and the USSR), its viability has been challenged. In the past, the downfall of some empires was provoked from the outside: the weakening superpower was attacked and brought to its knees. The downfall of the USA will not follow the model of Rome, but rather that of the Soviet Union: implosion from within.

America as it stands cannot be beaten, even though the many factors that contributed to the enormous efficiency underlying its development are in the process of being exhausted or aborted. Nor will the USA fail on account of an incompetent president, and this qualifier fits a number of those that the country has already had. The USA will not fail due to an incompetent Congress, either. The overwhelming majority of Americans already considers it as such, and knows how corrupt it is; and 85 percent have rated it as such. As powerful as the Judiciary has become, even its aberrant policymaking interpretations of the Constitution will not cause the Union to fail.

Not All Revolutions Are the Same

Like the USA, the USSR emerged after a revolution; it was able to assert itself as a major economic, military, and political player within half a century. And it ascertained a spirit of innovation. There are fundamental differences in political and economic ideology between the USA and the former USSR: one is based on free-market capitalism; the other was based on a centralized, planned, socialist-inspired economy. Despite these differences, the USA and the USSR display parallels in their respective hegemonies in the world. Once, each held the status of underdog on the world scene. The Soviet Union, too, emerged after a long fight for freedom characterized by a revolutionary spirit that reflected awareness of historic opportunity.

National and social identity, economic self-definition and self-sufficiency took place in very different, almost antithetical, political contexts in the two settings. America eventually became a country of immigrants accepted on the basis of their ability to contribute to the economy. The requirement

of health good enough for joining the workforce, and the expectation of reproductive force were defined so that these immigrants would not become an economic burden on the country. Moral “standards” (no prostitutes or pimps), security factors, racial and ethnic preferences, and later political criteria (no communists) were part of the filtering procedure. Immigrants who contributed to America’s dynamics and wealth enjoyed opportunities, including religious freedom that often did not exist in their lands of origin. As opposed to nations made up of more or less homogenous populations, a national identity, a shared language, religion, and culture, like France, Spain, Germany, Italy, and England, neither the young United States of America nor the Soviet Union had major commonalities to build upon for very long. Russia was the backbone of the Soviet Union in almost the same way that England was the backbone of the USA, until the colonies decided to seek independence.

The USA came to existence in a predominantly agrarian context that eventually developed towards industrial forms of economic practice. In the early 19th century, the Industrial Revolution was still young, even in Europe. When Russia exploded, it was mainly a primitive agriculture-based economy, even though the Industrial Age was in full swing in Europe and America.

From their respective inceptions, both the USA and the USSR had to meet the challenge of efficiency. America had to stand on her own. Europe rejected the Founders’ plan that the USA could support herself by supplying Europe with grain and other agricultural products. The Soviet Union was not necessarily welcome on the world stage, either. The unsavory overthrow of the Czarist regime, a Western ally, led to a coalition of states against the new government. It had to find its own ways to survive so that the communist ideals it proclaimed would be tolerated, if not accepted as a model. Eight months after the Revolution in Russia, President Woodrow Wilson expressed the ambivalence of many Americans when he said: “My heart is with them, but my mind has a contempt for them.”

In the USA today, the capitalist faithful praise their choice in terms that sometimes echoes praise for the Soviet system: it liberates the people’s energy, allows for initiative, advances opportunity, and does away with inequity. But they opposed the Soviet regime’s basic ideology: confiscation of private property, public (i.e., state) ownership vs. private enterprise, and promotion of atheism under the guise of religious freedom. Initially, America encouraged the new Soviet republic, if not for political then surely for economic reasons. A 1919 issue of *National Geographic* contains the article “We must help the new Soviet Union.”

When the United States of America came into being, she embodied the characteristics of the agricultural activity that was dominant at the time. She also provided a satisfactory foundation for development beyond agriculture. The Constitution loosely defined what was necessary for the development of the “union of states” as a commercial entity. As industry came to dominate the economy, America identified herself with an economic philosophy elaborated in Europe that would become the model for the rest of the world: capitalism. The Soviet Union went through a similar transition, albeit in a shorter span of time, running the same script as the USA but much faster. Russia had remained mainly agrarian until the Bolshevik Revolution and had to catch up with the contemporary world. And it did, using every method—legitimate or not—at its disposal. The central government was obsessed with industrialization, extended into the new agriculture of the “collective” farms. The Marxist doctrine marking the Russian Revolution was practiced in accordance with this obsession. Communists looked upon agriculture with suspicion; it brought up recollections of private property (land and farm machinery) at a time when the new economy was to be based on shared ownership. It also had to be made into the “food industry” of the nation. Between the two World Wars, most of the USSR was industrialized, and the process continued after World War II, a feat that many post-war Europeans admired, without apprehending the consequences of this industrialization.

Ideal vs. Real

There are many reasons why the Soviet script did not play out as intended. Trotsky, in exile, wrote about the “degenerate workers’ state.” The idealistic vision of a planned, collectivized economy from which all workers would benefit never happened. Setting aside the fact that Marx explicitly stated that Russia was not ready for his ideal society because it was not yet industrialized, there were other reasons that social equality was not achieved. The state failed to serve society; rather, it stood above society. Ownership of factories, banks, land, and resources was intended to be social ownership, but it degenerated into state control. The Communist Party hijacked the nation’s politics. Had it not, the new Soviet Union would have collapsed in short order. Power was placed in the hands of bureaucracy, which was supposed to be faithful to the system. But instead of getting rid of hierarchy, communism enforced it. Instead of decentralizing power, communism turned it into one of its control functions. The principle of payment for performance, which reflects, in theory, the law of supply and demand in the free market, and meritocracy were adopted. But it contradicted the dictum “From each according to his ability, to each according

to his need,” which inspired socialism. To paraphrase Orwell: Some (in the Soviet Union) became more equal than others. This rings more true in today’s America of extreme disparity.

Scholars dealing with the collapse of the Soviet Union have pointed out that its economic and scientific output was, for the most part, very high during its short existence. In coal production, oil and gas delivery, steel production, and chemical processing, the Soviet Union could compete with any other country, and often surpassed many. It developed an aeronautics industry that covered its own needs, and especially those of the military. Its space exploration program was a success; for a while it was ahead of the USA. (Recall the ironic observation triggered by reality: after World War II, the USSR had better German scientists than the USA did.) No expense was spared to produce leading physicists, engineers, chemists, geologists, space scientists, and foremost, mathematicians.

But the system did not recognize the many dimensions of the human spirit. The Soviet Union was a land of repressed freedoms, of political and religious persecution, of human rights existing more on paper than in reality. There was a saying: He who today plays jazz (representative of the imperialist enemy, i.e., the USA) will betray the country tomorrow! Yes, even jazz musicians could end up in jail. Soviet citizens could criticize their bosses; occasionally they were “invited” to do so. But they’d better not criticize party leaders, and even less the supreme boss (president, general secretary, or whatever he—always a he—was called). Even as it boasted of free access to cultural and artistic performances, to education and medical care, it had a large gulag. Those who were “thinking differently” were sent to it; few returned.

Here let’s discuss some historical facts associated with the implosion of the Soviet Union. Some analysts refer to the oil glut in the 1980s, when oil was discovered in the North Sea, lowering its price on the market, and thus diminishing the regime’s currency revenue. This was, they say, the proverbial straw that broke the camel’s back. It is an odd pronouncement since Canada, Saudi Arabia, Venezuela, and Mexico—also oil exporters—did not suffer at that time. The loss in export potential was estimated at twenty billion dollars. After 1985, foreign debt never surpassed 20 percent of the Russian GDP. In fact, the country was overextended in its expansionist fervor. So is the USA. Some analysts are inclined to accuse (or praise) Ronald Reagan of manipulating the price of oil. He became popular for his fight against “the evil empire.” But neither the space-based missile system (which Senator Edward

Kennedy nicknamed “Star Wars”) nor the various shenanigans Reagan came up with brought down the USSR. The Soviet Union, licking its wounds from the war in Afghanistan (battling American-supported resistance fighters, i.e., the Taliban), encountered problems in maintaining its formidable military might. Many errors in planning and carrying out policies burdened the system. The USSR, with its hundreds of thousands of hectares of farmland, ended up importing wheat to feed the population. The bureaucracy grew faster than the economy. Corruption undermined efforts at economic and political reform. As a union of widely diversified and not necessarily willing partners, the centralized USSR found it increasingly difficult to maintain a coherent country dominated by the powerful in Moscow. Several of these conditions find their echo in today’s America.

With all these details in mind, we can entertain two simple questions: In facing change of an unprecedented nature, is the USA acting like the former USSR? Is it on a similar path of self-delusion and self-destruction?

Freedom in the Shadow of Efficiency

It took years after the collapse of the USSR before a few analysts discovered that the Soviet Union had been structurally incapable of reaching the level of efficiency needed to maintain its viability. Supply and demand simply did not correspond. The military, the secret service (KGB), the party *nomenklatura*, and the bureaucracy were too expensive and wasteful. The majority of Americans reveled in the fall of their enemy as proof that the desire for freedom overwhelmed tyranny. The inference was only partially true. The system failed because it was inefficient; it lacked an effective checks and balances mechanism. The basis for reciprocal trust needed to make the Soviet system work grew ever shakier. The same is taking place in the USA today, as a growing number of analysts, commentators, concerned politicians, and ordinary Americans acknowledge.

This includes the simple interaction of teachers and students, of workers and managers, of citizens and their elected officials. It extended to what is needed to teach, to learn, to maintain the work ethic, to be creative, to carry on research, to carry out obligations to the citizenry, and to stimulate citizen participation. Religion as such does not make workers more productive, or talented individuals more creative. Neither does ethics or integrity. Everything is eventually corrupted by mistrust. After resisting new communications media, because they could not be fully controlled, the Soviet Union tried to come up with alternatives. It introduced computers, but they performed

poorly in comparison with the technology used in the rest of the modern world. Trying to build on the advantages of a basic education (in mathematics, physics, chemistry, etc.), which was better than that found in most other places in the world, it failed to stimulate innovation. Soviet citizens cared to know, and indeed knew, what was going on in the world. They kept informed by every medium they had access to, including radio programs from the West. But there was no space for applying and using this knowledge in a creative manner. Human incentives associated with a good education could not compensate for a sense of alienation. There were no new challenges, except those predicated in Party meetings.

In a context of expanding global connections, the Soviet Union practiced selective collaboration. So does the USA. The USSR often sacrificed economic interests on the altar of ideological activism or political expediency. Africa was an outpost that drained financial and human resources. America has focused on Iraq and Afghanistan with the same results. Maintaining Castro (one of the several dictators the USSR supported) in power had a high price and almost no return. America's policy of maintaining Mubarak mirrors the Soviet effort in Cuba. Middle East policy, in which the USSR and the USA competed, involved vast deliveries of armaments with the hope of gaining influence. There was little return in terms of closer international coordination. The Arabs had enough oil and money. They wanted their terrorism legitimized as a "liberation front," including liberation of their fellow Muslims in the Soviet Union. Eventually, they spread to America and caused her to bleed in terms of lives lost and expenses utilized containing terrorism. Defense costs escalated, and the system started to doubt its ability to pay for an arms race, in which the "enemy" had the upper hand. One-third of the economic output went to arms production. Consequently, the vast internal market that was supposed to address the needs of the population suffered.

Despite political oppression, Soviet citizens remained dedicated to the system. The Soviet system assured the citizens relatively stable access to means of existence, healthcare, education, and culture. Nevertheless, the system took its toll on family life: few women bore more than one child; many children were abandoned at miserable orphanages; drunkenness was rampant. Drug use increased (here Afghanistan shows up on the screen of memory). The medical system could not prevent the spread of AIDS, no matter how much one bribed a nurse or doctor. Except for a few heroic souls, the best and brightest of Soviet artists and scientists fled to the West, or waited for the first chance to do so.

The voices of discontent grew louder against the privileges of the political class. Once the general context of a world promoting more open exchange made it possible, the criticism was heard around the world. People wanted real democracy, but not necessarily capitalism. Americans traded democracy for opportunity. By and large, they want capitalism, but they now more and more want to be buffered from the risks inherent in capitalism. There is no measure of discontent that would make the situation in the USSR and the USA identical. During years of prosperity, Americans rarely do more than complain and moan. But as recent crises made clear, moaning quickly turns into loud cries against the parties. It also turns into the populist slogans against the government, and especially against politicians who, after years of abusing their power and position, are caught and prosecuted, or succeed in disguising their abuse of power more carefully. Americans will demonstrate their dissatisfaction with the state of democracy (or the seeming disappearance of it) as they confront bureaucracy. It is not at all comparable to how dissatisfaction was handled in the Soviet Union. There, a Tea Party could not have become the public presence it became in the USA. Its members would have been arrested and punished. In the USA, they are merely demonized.

The idea that the demise of the USA will follow the same path as the USSR is not predicated upon circumstantial evidence. Remember: The claim is that structural characteristics led to the fall of the Soviet Union and that the same weaknesses are already apparent in the USA. Domestic discontent and mistrust of government, opportunism and corruption, increasing inefficient bureaucracy, extensive military involvement, extensive foreign involvement, obsession with secrecy and security to the detriment of freedom are manifestations of the structural characteristics mentioned above. The erosion of individual freedom resulting from all these factors, and the consequences it entails, cannot be overstated.

Education: Stimulating Idiocy

In the USA, education is obligatory from ages five through sixteen. It is “free” in the sense that parents do not have to directly pay the government for sending a child to public school. They pay taxes. In the USSR also, education was free because society paid for it. Under the influence of the industrial model, education had to provide each pupil with a prescribed education that was supposed to render him or her prepared to function in society. Both in the USA and the USSR, this type of education was hailed as promoting equality. In the USA, once the industrial model proved its inadequacy for the

new economy, the federal government reacted. It became more involved in a matter that was considered the responsibility of a state and its cities and districts. Instead of investigating the opportunities that the post-industrial age facilitates, however, the USA insists on continuing the industrial model. Such mottos as “No Child Left Behind” and the current “Race to the Top” epitomize the government’s misguided attempts to make each child “college ready.” The majority of elementary school teachers suffer when instead of really teaching, they are forced to “teach to the test” (or teach to a contest, which is what the “Race” really is). Proof on paper of the success of the system, put in place by bureaucrats far removed from education and from the life of each student, is more important than reality. It is one form of social engineering practiced in the USA, as it was practiced in the USSR. “Every child pushed ahead” is closer to the truth than “No child left behind” is. It is more a Soviet-style propaganda slogan than an expression of freedom and democracy. In some school districts, there is one bureaucrat for every four children. If this were the teacher-to-student ratio, then we could talk about true teaching.

The only difference between the educational systems of the USA and the USSR is that in the latter, teachers were better trained and student motivation to learn was much higher. It was the student’s only chance to succeed and make a better life in a closed system. Desperation is a more powerful motivator than prosperity. There was always the hope of being given a better position, more money, better housing, even permission to travel outside the Soviet bloc.

The USSR followed the same industrial model of education as the USA still does, but with its peculiar doctrinaire touches. The goal was to maintain the masses aligned with the propaganda. Children had to memorize paeans to the Soviet leaders. The mildest criticism was punished. A university student could be expelled for making a suggestion that did not fit party dogma. Fabulous schools were built for future scientists and artists, even as the population faced hunger.

Compare this to what is going on in American schools today. Americans idealize their Revolution with the same ardor as Soviets did theirs. They taught an ideologized curriculum, as does every school in the USA. Criticizing a president (Obama, Bush, or Clinton) or refusing to say “under God” in the Pledge of Allegiance, may not be directly punished, but often life is made difficult for the poor youngster exercising his or her Constitutional right in a class taught by a teacher with a different political inclination. As in the USSR,

dogma is reinforced in the USA through the selection of textbooks. If you live in Texas, your child will be taught that the Founding Fathers believed that the world was created by divine intervention, and that capitalism equals freedom, individuality, and self-determination.

No matter where they live, it is probable that children learn more outside the factory called “classroom” than inside; that is, from the school of real life. Post-industrial capitalism presents proof positive that the industrial model of schooling that the USSR practiced, and to which the USA is still captive, no longer meets the exigencies of the fast rhythm of change characteristic of the present.

A Cancer Called “Political Correctness”

Most Americans do not realize that Stalin coined the term “political correctness.” This fact alone justifies considering it a “commie plot” to destroy America. Teasing aside, political correctness is not a matter of showing respect to different races, religions, ethnic groups, or the handicapped. It is not a matter of honest common courtesy and thoughtfulness. It is not, despite rhetoric to the contrary, an expression of tolerance. In the defunct USSR, the government worked by a “table of correctness” for meetings, committees, even for awarding prizes: one female, one young, one old, one Tatar, one Jew, a Ukrainian, a writer from Siberia—a “representative sample,” a quota really. The game was perfected in the USA. The media make it a matter of record to celebrate the government’s appointment of a transgender individual, promising hundreds more to follow, instead of selecting the best, regardless of his or her particular condition. This tendency might be well meant: compensation for various types of discrimination practiced in the past.

Being against illegal immigration, for instance, qualifies an American as racist. Those against homosexual marriage are decried as homophobic. Being critical of female boxing or women serving in combat earns one the title of sexist. The phrase “level playing field” is used to deny that equal men and women are also different. If the police stop a Black or an Arab speeding through a red light or dealing cocaine, they are accused of racial or ethnic profiling. In reality, political correctness serves no respectful goal. It confuses, even rejects better judgment, as it encourages individuals and groups to take advantage of situations rendered vague. It used to be that wisdom resulted from the confrontation of differing opinions, not from the Soviet-style elimination of what is not politically correct.

The Soviet Union was the paradise of right words, but homosexuals were often jailed. Women were showcased, but rarely did they have equal opportunity. While acknowledging that homosexual marriage is here to stay, and that women contribute a great deal in functions for which they were traditionally considered unsuitable, America is rushing to assume the honor of politically correct demagoguery.

Political correctness guides the slippery language of diplomacy. Moreover, it guides actions and results in policies that can only confuse the people who, in the final analysis, pay for it through their taxes and personal sacrifice. The Soviets were all set to establish an example of a “democratic society” in Afghanistan. That there were riches to be accrued (of course “for the benefit of the Afghan population”) was rarely brought up in the political discourse. One can take almost any speech of the Communist Party leaders on the need to march into the country, to stay the course, to win the people’s hearts, and compare it to American phraseology (under different administrations), including comments on the riches confirmed to be there by (surprise! surprise!) Soviet maps. The similarities are striking. When the “enemy” (the qualifier “terrorist” was not in use) infiltrated the “invincible Soviet Union,” every effort was made to downplay the deep divide between occupiers and occupied.

The Hypocrisy of Power

There is nothing new in the fact that foreign and domestic policies are sometimes disconnected. Both the USA and the USSR came into existence solemnly denouncing hypocrisy and both ended up practicing it as it became convenient to do so. The price to be paid was the rapidly spreading cynicism of the observers of this policy. The Soviet invasion of Hungary, and later Czechoslovakia gave many of its enemies occasion to decry its hypocrisy. America’s involvement in the bombing of Libya—whose bank in the USA received bailout money, and which country even received military assistance—belongs in the same category.

As the Soviet Union disappointed generations of its own people including the enthusiasts of its socialist premises (some in the USA), ever fewer citizens cared to know what was really going on. Some were indoctrinated to the maximum; others tried to disengage. The high percentages of participation in elections, especially elections of politicians already in power, were fake. That is, voting was a duty in the first place, not a right. Not voting for the only candidate running was in some cases a punishable offense. The Soviet citizen had no illusions about such candidates, as they had no illusions about the 99-point-something percentage approval of the way they were governed.

Americans have no illusions either, but that does not change the fact that voters are indifferent and feel alienated from the governing process. When less than 50 percent of the people entitled to vote fail to do so, then no president or member of Congress can claim to be elected by the majority. Few Americans realize that the Constitution does not even allow them to directly elect the president. Although the two dominant parties in the USA are constantly at odds, they are, in fact, the same in substance. The following question was posed to a reporter about the Democratic Speaker of the House: "How would you describe Nancy Pelosi?"¹⁸⁴ He answered spontaneously, "Tom Delay in skirts," referring to the Republican politician who used to hold the position until he was accused of corruption. In the Soviet Union, the splintered political factions within the one and only party had access to power in the forefront of their minds. The system suited them all. Yet Americans, despite the fervor around the Tea Party movement, are uninterested in, or unwilling to accept, independent political parties. If nothing else, they could offer a little more competition, in keeping with the presumed characteristics of the economy.

Religion is also politicized to the extent of hypocrisy. Separation of church and state was adopted by both the USA and the USSR. Separation of church and state or not, the two political-economic systems share in the practice of preaching something and practicing the opposite. Of course, no system implodes because of overt or subvert celebration of Christmas (and other religious holidays), or because politicians manipulate religious beliefs and free expression thereof. Duplicity, which is never limited to religion, leads to moral degradation.

One example among many: The Soviet regime eliminated the celebration of Christmas (and other religious holidays) altogether. After 1935, however, Stalin rediscovered the symbolism of a festive fir tree and even of Santa Claus, who was reintroduced as Father Frost. Christmas was secularized to fit the ideology while satisfying the tendencies (religious or traditional) of the populace, as the government celebrated with lights, gifts, and receptions for the diplomatic corps in the presence of church leaders. Here in the USA, under the pretext of separation of church and state, Christmas has been secularized, so the claim goes. "Happy Holidays" replaces "Merry Christmas," and seasonal decorations (reminiscent of the pagan origin of Christmas) and "celebration trees" replace Christmas trees. This gives the federal government an excuse for lavish decorations and ceremonies at the White House, as it gave the communists an excuse for the same.

184 Ed Wallace, radio show host in the Dallas/Fort Worth Metroplex and writer for *Businessweek*.

Those who know only about the atheistic Soviet Union will spontaneously discard any possible association between religion under communism and religion in the most tolerant place on earth today. The separation of church and state is definitory of a perspective that eliminates the basis for religious discrimination. The public celebration of Christmas at the White House, like the Novi God (New Year) tree at the Kremlin (in the Orthodox religion, Christmas falls at the beginning of January), stands quite in contradiction to the widely broadcasted principles of separation.

When necessary, for whichever reasons, members of the religious establishment were paraded at Soviet ceremonies, as they are on display at the White House or in Congress. The USSR sent religious leaders, especially Orthodox priests, on propaganda missions abroad, just as the USA has sent Reverend Billy Graham and Reverend Jesse Jackson overseas as goodwill ambassadors. More recently, it sends its homegrown imams to convince the countries of the Middle East of how well Americans appreciate Islam. No holiday of minorities in the Soviet Union went by without some public acknowledgment. No holiday of minorities in the USA can avoid the obligatory message from the White House and some reception (always subject to media coverage). Yet heaven help anyone who thinks about praying in a school or sharing a moment of silence that might be suspected of some connection to religion. In this respect, the two superpowers behave similarly. When such cases do arise, the American Civil Liberties Union (ACLU), with all its lawyers and funding, is well equipped to initiate a lawsuit—even if this bankrupts a school's system, or an entire town.

Notwithstanding, the president takes the Oath of Office with his hand on the Christian Bible, prayers are said before each session of Congress, chaplains are employed in the military, and the dollar still carries the motto "In God we trust." Like the USSR, the USA buys supporting votes for its agenda from religious leaders, as it does from UN member states, and from non-governmental organizations.

The duplicity that Soviet citizens could not help but notice undermined their trust in a society meant to free them from the yoke of superstition, prejudice, and religious fanaticism. Preaching something and practicing something else undermines social unity. The majority of Americans identify religion with the celebration of holidays; discount shopping before and after is part of the ritual. Rather secular themselves (despite claims to the contrary), Americans are aware, as the Soviet citizens were, of the profound difference between

affirmed principles and reality. In recent years, and after ugly legal disputes, religious displays were removed from public buildings. Two rural courthouses in Kentucky had to remove framed copies of the Ten Commandments (while in Austin, Texas, a granite monument to the same was allowed to stand).¹⁸⁵ Taxpayers, religious or atheistic, are funding, whether they like it or not, the religious ceremonies to which the political class feels entitled. No candidate for federal office will fail to identify himself/herself with a religion acceptable to the constituency.

Obviously, a system does not implode because religion is practiced and treated hypocritically. It might be a weak inference from duplicity in religion, to duplicitous morality to duplicity in ethics, and finally to abandonment of integrity. Regardless, duplicity, that is, the double face of those in positions of power and influence (politicians, businesspeople, the wealthy, the famous), does not contribute to a sense of integrity, as it does not encourage social solidarity.

Party, Party, Party!

Some would argue that the Soviet Union was a one-party system: the Communist Party. This political party had its origins in the idealized notion of a fully democratic socialist country. In reality, the one party was split: power struggle transcends ideological purity. The Bolsheviks (the word means “majority”) made sure that their opponents (the Mensheviks, meaning the “minority”) were kept from power. They promised a communist model—unity by decree. A pure socialist economy, if such a thing is at all possible, corresponds to the communist model where there is no real market because there is no profit. People “share.” In the real-life socialist economy, state bureaucracy rules: the party is identified with the government. Markets, instead of becoming engines for economic development, end up misrepresenting the needs and wants of the population. Ultimately, the party exercising its monopoly on power ends up owning the economy, turning it into a political instrument. But within the party, the fight for power and privilege is very similar to that between the two dominant political parties in the USA.

At the founding of America, the Federalists and the Republicans—representing philosophies rather than political parties—argued passionately about what the new United States should be. But after that vigorous start, parties took over the political discourse. In our days, the “Bolsheviks” (majority) and the

185 Lane, Charles. “Court Split Over Commandments.” *Washington Post Online*. N.p., 28 June 2005. Web. <<http://www.washingtonpost.com/wp-dyn/content/article/2005/06/27/AR2005062700416.html>>

“Mensheviks” (minority) are defined through each election cycle. Some reach majority status; others are rendered minority roles (arduously preserving the “right” to filibuster in order to block their competitors from advancing). In reality, one party—

the capitalist economy—owns the government; there are alternating leading players. Some want a “purer” capitalism than the one already practiced. The others want a “more regulated” capitalism. But no party questions the fundamental choice. Not even the Libertarians.

America is, in its own way, a one-party system: the Party of Post-Industrial Capitalism. To rule the economy is to be in power. The parties fight for the prize as party members fight for the titles—Representative, Senator, Supreme Court Justice, Secretary, Ambassador—and the spoils attached to them. Over time, both the USSR and the USA formed a political class disconnected from the people they felt entitled to govern. Today in the USA, power seems more and more inherited than legitimately acquired through the process of election. The spoils system is more at home than ever. The Soviet gerontocracy is fully echoed in the reality of the American professional politician, the eternal incumbent. It is ironic that of all people, Vladimir Ilyich Lenin came up with this model, practiced in America as though it were an American discovery or invention. James R. Schlesinger once wrote about American policy decisions—nominally made by senior political figures.¹⁸⁶ He pointed out the capacity for resistance of “subordinate political groups” and, as an insider who faced the consequence, qualified it as “breathhtaking.” He went on to elaborate: “Actual programs and allocative decisions will consequently diverge quite sharply from those that would be predicted on the assumption of a rational intelligence. Instead, they will be strongly influenced by prejudice, incompetency, and by infighting, deviousness, and bootlegging within bureaucracies.” If he had described the Soviet Union, of corrupt party bosses and incompetent managers, the prediction of its eventual failure would have not surprised. But he described the American system, to which he belonged. Few will fail to realize that on this path America is rather doomed.

In the USSR, the criticism went like this: party stalwarts, military security, ideologues, and bureaucrats need to be chastised for selling out socialism at home and abroad. They undermine the values and institutions that make the Soviet Union powerful and cohesive.¹⁸⁷ Change “Soviet Union” to “USA” and the

186 Schlesinger, James R. “The “Soft” Factors in Systems Studies.” *Bulletin of the Atomic Societies. Science and Public Affairs*. November 1968:12-17, p. 14.

187 Thompson, John M. *Russia and the Soviet Union*. Boulder: Westview Press, 2008. 324. Print.

assessment is practically the same. There is no broad centrist support for what is advanced by one or the other competitor to the prize called power. What we have instead is polarization, a sad state of cognitive alienation that results in irrational positions. The majority of Americans—those who vote and those who don't—are in fact disgusted with politicians quarreling and pursuing their well-being ahead of that of the people they are supposed to represent. They are disgusted with a government totally subservient to the wealthy, and seemingly only interested in making themselves and their cronies rich. In this America of opportunities and prosperity—the misery of a large group of people notwithstanding—the oligarchy continues to reach higher levels of opulence of almost grotesque proportions. During the current serious recession, millions of Americans became unemployed or underemployed, losing their homes and healthcare benefits. Yet in Washington, parties, receptions, vacations in high style, and foreign travel continue unabated. As the Soviet Union was falling apart, the leaders (at all levels) enjoyed a lifestyle not different from that of America's leaders, and with the same degree of secret service protection. According to records, Congress has passed no meaningful reform; the salaries and bonuses of executives exceed any imaginable or justifiable level.

In the Soviet Union, the KGB kept a very detailed “database” of the population that was maintained on handwritten cards. It served the party in distinguishing between those who opposed the regime and those who were part of it to the extent of stupid acquiescence. In America today, databases serve various purposes, most of them commercial. But politicians compile their own databases to locate persons inclined to support them: we know what's good for you, trust us, spread the word, send money.¹⁸⁸ Then there is the increased surveillance of and data-gathering from the entire population, rationalized by the need to prevent further terrorist attacks. These measures do not afford more security. Rather, they violate the rights that Americans hold dear. Economic interests characteristic of the transaction economy drive the entire dynamics of these databases. Google, among other companies, makes money on knowing what Americans read, watch, look for, listen to, purchase, sell, wear, and where they are located at any moment in time. They make money from this knowledge, acquired without the consent of those whom they observe. The company's expertise, along with that of many other search engines and wireless services (especially Apple's monitoring of its enthusiastic adherents)

188 The victory in the elections of 2012 was facilitated by “the most sophisticated voter list in history,” Craig Timberg and Amy Gardner. From: “Democrats Push to Redeploy Obama's Voter Database.” *The Washington Post Online*. N.p., 20 November 2012. Web. <http://articles.washingtonpost.com/2012-11-20/business/35511405_1_voter-database-michael-slaby-brian-moran>

has become an asset. The National Security Administration cavalierly listens in on telephone conversations and data mines the e-mails that Americans send to each other. Its partners are the companies interested in squeezing the last penny from the profiling they carry out.

Party corruption in the USSR sapped the energy of the system and of the population. There were no real incentives for increased productivity. Attempts to synchronize individual interests with those of industry and state organization exacerbated social conflicts. If work had been commensurately rewarded (with factory incentives, for example), or if services could have been made competitive (and competitively priced), the flow of money to them would have been understood. In reality, the workers' paradise was one in which the workers had to bribe their managers in order to have their work correctly recorded (and sometimes even to get work). Service providers had to be paid under the table to take care of real needs (repairing a car, a TV set, the plumbing) and to certify "fake" needs. "They act as though they pay us and we act as though we work" was the refrain that explained the economic arrangement. Corrupt as they were, Soviet politicians knew the value of an account in Swiss banks. Each favor, small or large, was returned (some less than graciously). In 1986, Yeltsin, the mercurial Soviet maverick, shocked his fellow party members when he quoted none other than Lenin at a conference, saying: "Social inequality destroys democracy, leads to decay of the party, and diminishes its reputation."

In previous chapters of this book, the role of lobbyists and political contributors to members of Congress, politicians in all levels of government, and judges were discussed. As was true in the Soviet Union, if in America a delinquent member of the political class is eventually caught, rules different from those applicable to the average American preside over the process. For an ordinary American, evading taxes can land you in jail, bribery is prosecuted, false statements and perjury are civil offenses. A member of the political class can become Secretary of the Treasury even if he evaded paying taxes, for which he had already received reimbursement from his employer. Was any ordinary American ever reimbursed by his employer for taxes paid? As a member of Congress, you can have your lawyers cut a deal: agree to some errors and get a slap on the wrist in return. Just as rarely as members of the political class in the USA are punished for their wrongdoings was a Soviet communist party boss imprisoned for his crimes. In effect, there are two systems of law, even while the Constitution proclaims equal treatment. The consequence is that the functioning of society is affected, and a high toll on moral, economic, social, and political effectiveness is taken.

Bureaucracy—A Power Unto Itself. Fascism at Work

Bureaucracy, in what was the USSR and what is the USA, is probably the most glaring example of inefficiency. Among its many consequences, favoritism and corruption come to mind. The costs of bureaucracy are high and they pertain not only to budgetary allotments, but also to waste of the most precious capital: the human being. Trotsky, of all people, denounced bureaucracy in harsh words: “The secret income of bureaucracy is nothing other than theft.”

America’s bureaucracy is growing faster than the Soviet Union’s did because the USA can still afford it by borrowing money from those eager to influence the nation and to seek higher return on investment. Denounced in the USA or not, bureaucracies—government and private—have a strong grip on the lives of Americans, yet they are virtually unassailable. Disregard, if not disdain, for the time and concerns of millions of people is no different from that in the Soviet Union.

Bureaucrats charged with protecting the environment, for example, seem to have lost all common sense in their zeal. The law mandating long-life light bulbs led to closing of factories where incandescent bulbs were produced. The new “efficient” light bulbs are manufactured in China, but the mercury they contain will contaminate the American environment. Hundreds of thousand of acres are given over to raising corn for ethanol, so that your car’s mileage is decreased and its engine gets gunked up. Bureaucracy will never say: “Turn off the lights,” the proven way to cut energy use and the emission of greenhouse gases. It will never realize how the law of supply and demand will lead people to look for more efficient transportation alternatives. There is an urgent need to protect the environment, but in so many cases, the bureaucracies in charge “strain at a gnat and let a camel go through.” Wetlands on a miniscule piece of land have higher priority than the individuals trying to live in harmony with nature without risking equine encephalitis or West Nile virus. (If you belong to the “party,” your property is exempt.) Try to trim a tree on your own property, for which you pay taxes, or to get rid of a plant declared invasive by several federal agencies, and you will go through a real “Soviet” experience. Your neighbor will call in the “environment Nazis” (as they are known by residents shocked to see the environmental police cars on patrol). They will descend on your property without notification and without your permission. They will issue orders and fines, without any due legal process: that is part of their mandate. In the Soviet Union, arbitrariness confused the citizen, who was forced to go around the system. The same goes on in America at a price that is higher in moral terms than in dollars and cents. The arbitrariness of institutions and regulation contaminates society.

This is the “magic” of fascism: it contaminates society. The true goal of bureaucracies is to exercise power over the individual. They morph into fascist structures. This happened in the USSR, the superpower that defeated Nazi Germany. It happens in the USA. A hearing held ostensibly to give the citizen the possibility to seek redress from bureaucratic overreach becomes an opportunity for bureaucrats to flex their muscles. The citizen is never allowed to articulate an objection. He or she is declared “Out of order!” The authority is always right. They spend public money to pressure the person.

The IRS is probably the biggest bureaucratic villain. Americans who are audited realize that the taxpayer—guilty until proven innocent—has to do the work of the bureaucracy, and pay for it, too. If you do not belong to the almost 50 percent of Americans who pay no taxes, completing an income tax return means many days, sometimes weeks, of preparation, followed by several hundreds of dollars to pay an accountant.

The burden on taxpayers taken as a whole is enormous. It adds up as losses in efficiency and alienation of the citizen. Americans do not pay high taxes; neither did the Soviet citizens (where income was taxed automatically, with no provision for recourse). But what Americans pay is a part of their life in order to fill out returns and to address bureaucracies. And this happens more and more frequently. In 2010, American businesses and households devoted over 7.5 billion hours to comply (or go around) income tax laws. For ordinary Americans, with the overcomplicated tax system (hiding various tax exemptions for those with power and money), tax preparation costs time and almost 110 billion dollars.¹⁸⁹

Like in the USSR of bygone days, bureaucracies are not responsive to the people; they impose heavier burdens on their time and money. In the USA, new bureaucracies are frequently put in place by fiat, defended by the argument that the problem to be addressed is too urgent to go through the Congressional procedure. Yet going through Congressional channels means waiting months and years for something as simple as approval of a candidate chosen by the executive branch (or rather by the party in power) for some position. In the USSR, all appointments were political; in the USA, only appointments where real money is at stake, or political influence can be exercised, are political. The bureaucratic procedure, the “Manual of Operation,” is confusing. For someone from outside the power structure, it seems that not even the Executive bothers to make itself aware of the many offices that already exist before it creates a

189 “A Taxing Trend: The Rise in Complexity, Forms, and Paperwork Burdens.” *National Taxpayers Union*. NTU Policy Paper 126, 15 April 2009. <<http://www.ntu.org/news-and-issues/taxes/income-tax/a-taxing-trend-the-rise-in-tax-complexity.html>>

new one. Once upon a time, seven assistants to the president took care of the operative aspects of the office. Today, there are over one hundred. In the Soviet Union, it was easier to expand than to correct inefficiencies in the existing bureaucracies. The population paid, with no recourse. We have it the same way, but it costs more in America.

Consequently, unless they can totally ignore the system, Americans are afraid of federal interference in the healthcare system, as expensive and inadequate as it is in comparison with that of other modern countries. The Soviet health system, in the hands of the government, was free, but the citizen paid the price. Americans, even those disengaged from social and political reality, look at the failures of regulators that are supposed to oversee banks, housing, drugs, food safety, labor conditions, transportation, consumer protection—the list goes on and on. There is a bureaucracy for every aspect of life. And infinite possibilities for corruption.

In short: bureaucracies exist to support themselves, no matter how much money flows down the drain. A hemorrhaging patient, whose blood is sold back to her at a higher price, will eventually succumb. America might not yet be on its deathbed—and is probably far from it. But the next breakdown could likely have irreversible consequences.

Beware the Military—Revisited!

The disintegration of an outdated system, which involved its military might, led to the implosion of the USSR. Budgets were made public, but usually the expenses were downplayed by at least 50 percent. Yet even during the harshest times, when it was difficult to find food and clothing, the population remained supportive of the military. First and foremost, almost everyone had to go through conscription. This created something like a sense of family among the draftees. Furthermore, the Soviet Union had to defend itself repeatedly. Having enemies, real or conveniently invented, helped in encouraging unity against them. Military service shaped generation after generation. What family failed to give to growing adolescents, what school failed to impart, what college did not provide were remedied in the barracks. Everyone underwent intense indoctrination. Few cared for it. But personal and communal hygiene was also taught and practiced. Conscripts learned how to sew on buttons, darn socks, and clean their boots. They underwent physical exercise; they were taught not only how to march, but also how to sing, even dance. Together they visited whatever museum was in their vicinity and were taken to concerts. It was a tough, sometimes humiliating environment, with officers who could be

rude and mean (like the sergeants in the American Army, as they have been portrayed in films and on television). But after military service, the veterans networked. Moreover, those who served in wars enjoyed a variety of benefits: better housing and priority access to public services and resources. Nobody ever complained when a war veteran went to the head of a line for bread or concert tickets, or used the seating reserved for them on public transportation. To be part of the network helped when you needed something: railroad cars to transport products from collective farms, approval to export goods produced in the factory, even permission to import. In the Soviet Union there was the corruption path, followed by the majority, and the camaraderie path, where favor was met with favor as circumstances required.

To what extent the American reader of today will recognize something familiar in the short description of the state of affairs in the Soviet Union is difficult to assess. Let us take note of the fact that the Red Army, as it was called, had a suicide rate higher than that of the entire Soviet Union. The same is exactly true of the US military, losing more people to suicide than to military action. Add to this the highest rate of alcoholism and drug use, the highest divorce rate, and many afflictions that marked the lives of those who have served. Is this only because military personnel like to kill themselves, to drink, to get stoned, or to divorce? Often people are not aware of their own condition (alcoholics always claim, loudly, “I am not drunk,” as they fall off their feet). But America is not in denial. America knows that the military has serious problems. The costs of all its military activities are enormous. Many soldiers return home ruined physically or mentally, or both. Billions of taxpayer dollars have been wasted by the private contractors that the American government insisted on using in Iraq and Afghanistan, or in any other place of confrontation. Some die or are wounded; others get rich—the old story of all wars. High-ranking officers abuse their privileges, just as Soviet officers were infamous for doing.¹⁹⁰

As critical as Americans are of the FBI, the CIA, and the NSA, they are by no means disrespectful of the defense and national security establishment. The men and women risking their lives in working for such agencies are respected. In most cases, Americans defend those agencies and those who work for them, even when their actions—waterboarding became a *cause célèbre*—prove

190 Ralph Peters, making reference to “...a crisis of ethics atop our military,” concludes that the “generals’ sense of entitlement has murdered their sense of duty, honor, country.” “General Failure.” *New York Post Online*. 12 November 2012. N.p., Web. <http://www.nypost.com/p/news/opinion/opedcolumnists/general_failure_E3xLo8eCljhAVVutURLjoL

to be less than honorable. And there is a genuine sense of solidarity when America is attacked. Americas take such attacks, more frequent since the fall of the USSR, personally. Even on the sensitive issue of the right to privacy, never formalized in the Constitution or other foundational documents, the majority is willing to accept preventive measures. If that means wiretapping, or auditing Internet-based communication, or even surveillance (of groups identified as hostile, of dubious individuals, of websites manifestly inimical to America and Americans), so be it. "It is for our security" seems to be the tacit understanding. Open-minded as they are (and so were the Soviet citizens) Americans accept the most severe (and absurd) airport control measures on earth. Nobody complains; the rate of compliance, even with unreasonable rules, reflects a sense of shared responsibility and trust in those issuing them. Like citizens in the USSR, travelers in American airports seem to think, "They must know something that we don't."

Homeland Security officially employs over 230,000 people and many more in various undisclosed locations and positions. The biggest bureaucracy ever, meant to protect America and its citizens, has been accepted to a degree unusual for the rather critical Americans. A series in the *Washington Post* revealed the extent to which America practices the secrecy that Americans used to decry when it occurred in the Soviet Union.¹⁹¹ Nineteen hundred and thirty-one companies are engaged in top secret work for the government; 4,048 organizations are involved in domestic counterterrorism and homeland security. These realities make the former Soviet regime seem innocuous.

No one really knows the price paid for security purposes, even less how many people work for it. In the security-obsessed communist regime, agents impersonated journalists, travel agents, tour guides, cleaning staff in hotels and in embassies, athletes, artists, and teachers. Motivated by patriotism or under duress, they worked undercover in fake businesses. The censors reading mail (yes, the old fashioned handwritten letters, in envelopes produced in such a way that they could be easily opened) "worked" for a "sorting" or a "trucking" company. In the free USA, where no one expects snooping and spying on Americans, front companies do the dirty work (more focused on e-mail and patterns of web browsing than on letters almost no one writes any more). This burgeoning security force helps, of course to reduce unemployment rates, as it did in the USSR. With almost 900,000 people given clearances on secret matters, one can only infer how many are otherwise busy keeping America safe.

191 Priest, Dana, and William Arkin. "Top Secret America," a 2-year project (2009-2010), involving 20 journalists, documenting the enormous national security build-up after the attacks of September 1, 2001.

That the military has changed tremendously over time goes almost unnoticed. There is a tendency to build on the continuity between those who sacrificed their lives in the War of Independence or in the Civil War to those heroes of WWII. Veterans who fought in Korea or Vietnam—the anti-communism wars—or the soldiers of the Iraq and Afghanistan wars (still being fought) are honored. America celebrates its military. Service is always a plus in a politician's biography (real or slightly rewritten). Politicians will not risk their careers by opposing funding for American troops, even if they oppose the war. When the electorate is crying for blood right after an attack—the Twin Towers in 2001, the US Embassy in Somalia, a café in Germany frequented by GIs—it is political suicide not to support immediate military retaliation. The USSR fought many wars, some for its survival. So has the USA. No wonder that the Veterans Administration is as huge as the bureaucracy that took care of the Soviet veterans. No wonder, again, that the Soviet records (Who fought where? When? Who needs help? Where are the graves?) were no better than the records at the Arlington National Cemetery. There, many bodies have been discarded, many cremated, many dead heroes misplaced. Such cavalier disregard hurts family, friends, and members of the armed services. Even adversaries of war cannot help but sympathize with survivors affected by the indifferent manner in which their loved ones were treated.

Networking is part of the large process through which the military affected the direction of the country. As in the USSR, the US military effectively controls research expenditures, including those for small business. Some of these small businesses exist only because of their military or national security contracts. In the 1968 atmosphere (and again around 2004), some university students and faculty members protested the presence of military-related programs on campus. But that did not last for long. Universities and other research facilities would indeed suffer if the expenditures for military purposes were reduced. Money is what it takes for the military to maintain the hegemony of the country and its own importance. Money is also what it takes to remain ahead of the game through research and development. To fund the military, therefore, has become a patriotic endeavor, pursued by members of Congress in control of the purse, as the best policy for their respective constituencies. A map of the military installations in the country is suggestive of the tight connections between politics and the Pentagon. The situation was similar in the Soviet Union.

As already stated, like the USSR used to be, the USA is a country at war. It is the country that has fought more wars than any other nation since World

War II—incredibly, without being able to declare victory in any of them. The USSR supported all kinds of “freedom fighters”: the liberation movements in Algeria, the Congo, Libya, Vietnam, and Afghanistan. The USA, not to be outdone, supported the opposing forces where it could. After almost two centuries of isolationism, the USA is practically the lone police force for the world. This policy, loudly supported by the conservative media, is also not dismissed by the liberals. Supporters twist statistics in order to inform their public that only a small percentage of the GDP (comparison is rarely made to the national budget) goes towards the military. Of course, the bloody Civil War was “less expensive” than the more than one-trillion-dollar wars in Iraq and Afghanistan, although it took a higher percentage of the modest GDP (from 1861-1865) to execute that war. The defense industry (weapons and missile manufacturers, factories producing fighter planes and tanks, armored vehicles, communication equipment, data processing devices) prospers from public expenditures for the military. Politicians are beholden to it for employing their constituents and contributing to their “war chests.” The defense industry argues its case in economic terms.

Who would deny that America needs good defense? Who in the Soviet Union would have denied that the country needed a huge military establishment? Tellingly for the USA, it was General Dwight Eisenhower, hero of World War II, who took note of the significant liabilities resulting from the military’s privileged situation. The general was aware that discussing them publicly would not make him more popular. In “The Chance for Peace” speech, he described the price America pays for maintaining what politicians consider a strong military: “Every gun that is made, every warship launched, every rocket fired signifies ... a theft from those who hunger and are not fed, those who are cold and not clothed.” He went on to say that the cost of a bomber equals that of many schools, of power plants, of hospitals, of miles of pavement, and of homes for those in need. In his Farewell Address to the nation in January 1961, Eisenhower dared to advise: “In the Counsels of Government, we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the Military Industrial Complex.” This quote has been used over and over by those who question America’s warmongering.

Eisenhower’s criticism of the military establishment was replicated in the Soviet Union by those—generals, high-ranking officers, even party stalwarts—who recognized that their country had failed to address the needs of the working people. Those members of military and others from the “intelligentsia” who had the courage to be critical were promptly fired—

a procedure not unknown in the USA—and even jailed. This did not change the situation, neither there nor here. In our days, as deep as the country is in debt, the military budget of the USA exceeds the total of the budgets of all countries that might challenge its supremacy or are part of the “Coalition of the Willing.” Trillions are spent pursuing goals that can be defined as quixotic at best. The USSR claimed to defend the “socialist world,” and to prevent attack by America and its allies. The USA is defending even those who do not care to be defended, including many European countries, Japan, South Korea. This comes at a huge expense. All Americans could have free medical care were it not for the aggregated costs of the military. France, Germany, Great Britain, Western Europe, Japan, and South Korea maintain very low military budgets. They come out ahead not only in the marketplace, but also in providing social benefits, including free higher education, to the population. The Soviet Union never considered reducing the export of arms, nor does America consider it today. The export of arms is an industry that actually does not output anything that makes life better. Each gun exported makes every American accomplice to all those wars that could be rendered impossible were the world to stop the insane arms race.

Eisenhower’s understanding of what it would take to address the weaknesses of America deserves our attention more than what previous generations were willing to credit him for. He talked about misguided priorities that bring with them military expansion; he addressed cronyism, which undermined the Soviet Union just as it severely undermines America. And he realized that Americans are about to experience how able they are to “destroy from within what we are trying to protect from without.” The Soviet Union was by and large highly educated, but education could not save it from its own demise. It had health care, but this did not make it a better place to live, work, and create. It bullied its friends and tried to bully everyone. This behavior discouraged some of its enemies, but did not prevent its breaking apart. The corporate and political corruption undermined its citizens’ faith in what it stood for. It undermined trust in the leaders who hijacked the system. Still, neither corruption nor lack of trust in the political class caused its implosion. Once these facts are taken together, it becomes evident how and why the Soviet Union became a dysfunctional entity. The system imploded.

To quote a historian whose son died in Iraq: “US troops in battle dress and body armor, whom Americans profess to admire and support, pay the price for the nation’s collective refusal to confront our domestic dysfunction.”¹⁹²

192 Bacevich, Andrew J. *The Limits of Power: The End of American Exceptionalism*. New York: Metropolitan Books, 2008. 12. Print.

The fact that America sent soldiers into war without fully protecting them will forever remain a stain on its history. To be less than fully responsible for the lives of soldiers sent on a mission is criminal. The Soviet Union behaved the same way with its soldiers in Afghanistan. There were slightly over 100,000 of them. Any similarity?

“It Can’t Happen Here”

Boris Yeltsin once asked (rhetorically), “Why do millions of people in our society live below the poverty line, while others literally live like lords and wallow in luxury?” Without any intention to downplay America’s amazing achievements, these words apply just as well to the American condition of our time. Again, Yeltsin: “I cannot eat sturgeon when I know that my neighbors cannot afford to buy milk for their children,” and, “I am ashamed to use expensive medical care because I know that many of my fellow citizens can’t afford aspirin.”

These words could be uttered by any American leader—from president to member of Congress to Supreme Court Justice, to anyone holding political office or position. If you want to experience success in the confrontation between capitalism and communism, go to the malls or the supermarkets, to the boutiques and high-end stores. No commentary is necessary. Except, perhaps, that plenty can easily become waste, at the expense of sustainability for all. A review of Dr. Seuss’s *The Butter Battle Book* (1984, in which he criticizes the Cold War) appearing in the *Wall Street Journal*, criticizes him for faulty comparisons. The reviewer stated, “We stand in line for movies. They stand in line for bread.” One would not be far off base in remarking that roles are practically reversed. In today’s America, people line up in front of soup kitchens and homeless shelters.

As opposed to the USSR, the USA allows for, and Americans enjoy, freedoms and excesses that most of the world does not. No American ever went to jail for playing Soviet music or even Metallica renditions of fascist tunes, or extremely vulgar and violent rap and hip-hop music lyrics. Everything goes. The fact that at the beginning of the 20th century some Americans ended up on various lists of suspects that the Bureau of Investigation, and later its successor the FBI, drew up is a different story. It parallels that of the USSR. In the USA, with or without good reason, you can criticize the president, Congress, and anyone in a position of power or wealth. The chorus of opinions and criticism can get really loud when the going gets tough. But nobody cares, except the pundits trying to establish a choir to accompany their own songs. Anything is possible, although patriotism attracts less of a following than self-hatred and aggressive self-

righteousness do. You criticize your boss at your own risk (not even a union will save you). What was forbidden in the USSR becomes insignificant in the USA exactly because voices of discontent, nothing more than noise in the vast ocean of ever-increasing information (as well as disinformation), cancel each other out.

The Soviet Union fought against the cult of the czars. Americans declared independence in terms that promised not to celebrate power for the sake of power (and inheritance). George Washington is famous for trying to distance himself from celebrity. Still, neither the USA nor the USSR was able to free itself from the cult of personality. It would be easy to demonize Lenin or Stalin for enjoying the pompous celebrations of their persona. Initially, it might have been spontaneous, an expression of acknowledgment. But the exercise soon became coerced. To criticize the unjustified pomp associated with the election, inauguration, and State of the Union Address is not unheard of; neither is the healthy attempt to point to one or another president seeking to stand out in the narcissistic popularity contest. It is impossible to ignore the resilience of the instinct for cult, which neither communism nor capitalism has done away with. The political capital associated with the cult of leaders is, in the final analysis, capital. It wants to generate political profit for those cultivating it and for those indulging in it. This explains, but by no means justifies, the change in the role of leaders, in particular of the president of the United States of America. From a position equal to that of the other two branches of government, the president emerges ever more like the king against whose power and control the colonials revolted. In the USSR, as the memory of the Revolution faded in time, the party leader became the new czar, and the people working for him the new nobility.

In Soviet-style propaganda, hundreds of millions of dollars are spent on inauguration celebrations.¹⁹³ The famous and less famous of the American wealthy class in attendance assure their new president that money from their businesses will continue to pour in. There is nothing wrong in supporting the president, and none of them can be blamed for the message. They probably do not realize, or prefer to ignore, that similar pledges were made to Stalin, Hitler, Kim Il Sung and his son Kim Jong Il, and to Osama bin Laden. What makes manifestations of personality cult worrisome is the understanding of a submissive state of mind, in a state of opportunistic stupidity, instead of the critical attitude and effective support of causes worth pursuing. Whoever financed such a grotesque piece of propaganda, sometimes shown in schools,

193 "Obama Hosting Pricey Party in a Dicey Economy." NBC News Online. N.p., 17 January 2013. Web. <<http://www.msnbc.msn.com/id/28707475/>>

and broadcast over the worldwide web, does a profound disservice to the causes they deem worthy of their support. Similar pledges were made to Soviet leaders and were ineffective in making them trustworthy or maintaining them in power when the system collapsed.

The cult of personality cuts two ways. In the Soviet Union, no rescue operation could begin without the presence and approval of the supreme rulers. Whether the emergency was an earthquake, an industrial accident, an explosion in a coalmine, or a sunken submarine, rulers rushed to the scene. Any rational American can easily understand that a president walking the beaches of Louisiana and Mississippi and examining the tar balls washing ashore after the British Petroleum oil spill is not the answer to the catastrophe. The president is cheered whenever he publicly announces his private grief, when he flies across the nation to address students in a high school where minorities are the majority, or when he travels to places where he knows his presence alone will send people into ecstasy (this is not an exaggeration). Such events document the induced stupidity of people, victims of mass ecstasy. The contamination of minds and hearts is reflected in the medieval expectation that “We need someone to lead the crowd, to be ahead, to get things moving.” In reality, leadership reduced to role-playing, because it helps keep poll numbers high, is a symptom of social degradation. In itself, the personality cult did not cause the fall of the Soviet Union, as it alone will not lead to the fall of America. But in the broad aggregation of forces, it becomes symptomatic of people’s disengagement. The more they are incentivized, through giveaways that they eventually must pay for, to celebrate the master of ceremonies, the less they really care.

Once Upon a Time...

In taking note of structural similarities, we can more easily fathom how the USA can end up like the USSR. Events become unavoidable only once a certain threshold is passed. Some believe that America already stepped over into her own path towards oblivion. Others, as the author of these lines, are convinced that America is still viable, vibrant, and capable of avoiding a major disaster. Given the intertwined nature of the world today, should such a disaster occur (after another generation or two), it will affect the entire world much more than the demise of the USSR did.

“Once upon a time there was a superpower called America” might be the opening sentence of someone’s account of what went wrong with her if Americans don’t wake up, fight their own stupidity, and make America truly their own country, worth defending against her own demise.

A SECOND AMERICAN REVOLUTION.
THE NEED FOR A
CONSTITUTIONAL CONVENTION

V

NOBODY CAN UN-RING THE BELLS

Nobody can un-ring the bells. More to the point: America cannot revert to “the good old days” when it is believed, however mistakenly, that life was so much better, and that every individual was free to pursue, in an informed manner, his or her “Happiness” (per the Declaration of Independence). Nobody can revert to the idealized time of the Founders, no matter how loudly some Americans praise them, with or (mostly) without understanding what they wrote, said, did, or what is attributed to one or another. Those who care for America’s future ought to realize the irrevocable nature of history, regardless of whether they want only to reform the system or subject it to a revolution. In order to stimulate America to find her way and set the premise for new opportunities, Americans need to acknowledge reality, including systemic stupidity, and look ahead, free of prejudice.

Federalism

The Constitution ratified in 1787 contained seven articles. These addressed the formation of the central federal government, together with pressing issues of the time. Those who read the Constitution as it stood before 1800 would be impressed by its simplicity. Many Americans, including politicians, call for a return to that Constitution. They do not seem to realize that there is no way to un-ring the bells of developments, some quite uninspired, which prompted changes to the original document. No American can deny that life has become more challenging.

The Amendments to the Constitution make up a small part of the changes that increased the power of the central government. The executive branch expanded. The number of cabinet posts increased and so did an ever-growing number of departments within them. A permanent military had to be established.¹⁹⁴ The right to vote was extended to all Americans. A growing

194 Lepore, Jill. “The Force: How Much Military is Enough?” *The New Yorker* 28 January 2013: 70-76. Print. This article provides a good overview, She writes: “Not until the Second world War did the United States establish what would become a standing army, although the war Department was put in place in 1789.” (p. 73).

central government needed more funding than what was considered in the Constitution's Articles and in discussions regarding what the central government would cost.

You cannot un-ring the bells of government programs from which America has benefited. A national transportation system, dealing with highways and railways, is preferable to a patchwork of roads of varying and inconsistent quality. You cannot un-ring the bells of government regulations of the food and agriculture industry. If it hadn't been for these regulations, Americans would probably still be drinking milk preserved with formaldehyde and eating processed meat—the ingredients of which we would probably prefer to remain a mystery. As intrusive as some of these regulations seem, were it not for them, Americans would probably be eating hamburgers enhanced with sawdust and bull's blood, and imbibing wood alcohol (infamous for making its drinkers blind) in their whiskey.

You cannot un-ring the bells of federal programs that Americans find burdensome and bothersome, and in many cases a complete waste. The Great Depression, more than previous crises, killed the myth of the rugged individual, able to make it on his own without government help or community solidarity. Today, few would un-ring the bells of unemployment insurance, Social Security and Disability, Federal Deposit Insurance, Medicare, or Medicaid. Even those who preach private insurance do not deny that insurance for the elderly and the poor is necessary.

You cannot un-ring the bells of the national defense and return to the romantic vision of every man a soldier, a member of a state militia. No, we cannot un-ring the bells of the military establishment, as we cannot revert to a condition in which no permanent military force was deemed necessary. We cannot even revert to a military force more geared towards defense than perpetual pursuit of a new world order. That was never the case with America's armed forces, not even during the Civil War. The Spanish-American War (1898), both World Wars, and every conflict since 1945 has been motivated by establishing a new world order corresponding to the interests, economic in the main, of the USA.

America cannot un-ring the bells of Homeland Security. Her leading position in exercising military and economic power around the world is associated with freedoms and a morality that some nations, religions, and alliances reject. She has become the target of malcontents, beneficiaries of unlimited

mobility. They acquire the latest American technology for destruction. You cannot un-ring the bells pealing loudly in an increasingly dangerous world that America herself brought to life as she pursued her own agenda of prosperity at the expense of everyone else.

The Economic Engine Does Not Submit to the Laws of Physics

High performance, which makes the age of America's unmatched prosperity possible, is a goal in itself. Stupidity does not prevent anyone from attaining it. The understanding of the world as an economic engine leads to renouncing rationality and decreasing willingness to question the ends and pursued. The engine functions not under the laws of physics, which postulates that there is a limit to performance, but under the laws of capitalism: no limits in achieving higher profits. Money is the fuel. You can make something out of nothing; you can make millions without spending a dime. Its fundamental law is "Move money faster" (known as accelerated movement of capital). It has a human correlate: give up thinking, it cannot cope with the pace of change.

You cannot un-ring the bells of government regulation of business. In founding the USA as an economy, the Constitution established the bases for economic growth through the regulation of foreign commerce and of the free flow of interstate commerce. It encouraged invention through patent protection, including intellectual property, and establishing "post roads" (the forerunner of the national interstate highway system). These are included among the powers reserved for Congress, and reflected in the rationality of the time. Progress and the new challenges associated with a new scale of activity led to the need for further legislation that could emanate only from the central government. Each new program, law, and regulation makes it more powerful, regardless of what the Constitution stipulated. Individual rationality was shortchanged for that of government institutions.

In post-industrial capitalism, the output of the economic engine entails less and less personal effort. Knowledge is entrusted to machines that replace human beings, whose cognitive abilities become irrelevant. Cheap labor abroad replaces the expensive American workers (protected by various laws), but also those hardworking, often underpaid, workers not covered by union contracts. America has never weaned herself from slavery. Her infatuation with it only takes new forms. For instance, automated processes are the new slaves. No reason for moral qualms, except in those who are "automated away" and rendered stupid. So are illegal immigrants and indentured contract

workers, from poor countries, servicing combat military bases. Americans are ambivalent about them. “Let’s give them a chance” (which means “We’re happy to use them”), “but not our rights.” The rest of the world—Chinese, Indians, Malaysians, Bangladeshis, etc.—work for the prosperity of Americans at wages that do not give them the living standard that even slaves in the USA had. It seems that for Americans, the un-ringing of the bells of slavery was never an option. They still use slaves in more or less demeaning ways: agriculture, household “help,” prostitution, among other invisible forms of slavery. Even high-earning Americans are to some degree enslaved. After all, golden chains are still chains. Fifty to sixty hour workweeks of following scripts without ever thinking independently are not unheard of. If you don’t want to work those hours, your company will find someone who will, and who never questions anything. At least workers at start-up companies have the hope of the big reward: the company will go public or be sold.

To un-ring the bell of illegal immigration is close to impossible. Americans would have to guard the borders shoulder-to-shoulder, instead of watching *American Idol* and dreaming to be the next—while someone else does work they no longer care to do. Many people facing starvation or a hopeless future seek a chance to survive. America, still open to immigrants, no longer declares “Give me your tired, your poor, your huddled masses yearning to breathe free.”¹⁹⁵ Rather, those with capital are welcome, but the threshold is getting higher. America will take all your doctors, nurses, computer scientists, top athletes, along with those willing to serve in her wars around the globe.

You cannot un-ring the bells of labor protection laws, no matter how much industrialists complain that these add to the cost of a product. You cannot un-ring the bells of regulations that prevent a manufacturer from selling to the public goods and machinery that pose a threat to human life. If Americans want to be able to enjoy clean water and air and a healthy environment, they will not demand un-ringing the bells of the many regulations enacted to ensure them.

You will not un-ring the bells of bureaucracies established to mitigate the negative effects of the transaction economy. No matter how many libertarians rail against the Federal Reserve, they would not want to return to the chaos reigning before it was established. You cannot un-ring the bell of the “full faith and credit” of the USA that supports the monetary system after it went off

195 Lazarus, Emma. *The New Colossus*, inscribed in bronze at the base of the Statue of Liberty (1883).

the gold standard. The post-industrial transaction economy invents ever more ways to make money by moving money around. The financial debacle that led to the Great Recession, and before that to the failures of Enron and WorldCom (robbing their employees of their pensions), and before that to the savings and loan crisis provide proof positive that you cannot un-ring the bells of federal oversight of the financial markets. As much as entrepreneurship and free market economy are praised as American virtues, no one can un-ring the bells that protect the public, however minimally, from the predations of capitalism as it seeks ever higher profit.

Enhanced scientific and technological methods for accelerating the movement of capital—hedge funds, speculative swaps, and high frequency trading—are here to stay. They are part of the civilization of genetically manipulated offspring, of carrying out remote wars from game terminals, of extreme networking. Henceforth, they cannot be thought away. Profit is what counts; only profit revs up the economic engine. To dream of a return to the old days (or false memories thereof) of rationality, of happiness as the reward for effort, is at best infantile. *Dignity, joy, satisfaction, and contentment* will soon make the list of rarely used words. They have no reference in the lives of extremely competitive individuals obsessed with winning at any price, as they have no reference in the lives of people turned into obsessive spectators.

Normality Overrides Itself

The law of ever-increasing tolerance (or indifference, its extreme form) will not be reversed, no matter what the best-intentioned persons (actually squarehead hypocrites) say or do. America overcame much of what once was unacceptable: interracial marriage, segregation, racial integration, divorce, adultery, the extramarital affairs of politicians. The decline of marriage, no longer a prerequisite for having children, and even less for acquiring respectability, cannot be reversed. The homosexual (and transsexual) family is here to stay, and so is the ever more fragile institution of marriage extended to them; marriage with multiple partners is not far away. Traditionalists might cringe, but this is America: no constraints affirmed, and even less enforced. Marriage to a robot is in the making, just as marriage to a pet (which will benefit from millions left to them in an owner's will). What is still unacceptable, for whatever reason, will eventually become part of normality, and not necessarily because it is beneficial or inconsequential.

In the realm of "Everything goes," shallowness overrides depth. A mindless surgical change of one's thumbs, to improve text messaging ability is as much

here to stay just as social media, breast implants (leaking or not), aesthetic vaginal surgery, Botox and Ritalin are. The “engineered” offspring is here. Genetically manipulated stem cells, supposed to eventually become a scientific genius (“Get impregnated with sperm from high IQ donors!”) or a successful athlete (“Best sex is with a champion!”) are no longer science fiction. The race for performance enhancement through drugs, which changed sports, extends to life.

The sports champions, like the children of the ambitious “helicopter mothers” (or fathers) use technology and drugs to become faster, more resilient, more powerful, i.e., able to make more money. They risk life and health in exchange for the thousands they get in prize money, and the millions in endorsements. More of their fellow Americans assume that it won’t be difficult to become a champion and follow in their footsteps. Why work if playing ball, dancing, singing, or being a model is as good or better? Nobody can un-ring the bells of enhanced sports performance (“doping”), as nobody will turn the clock back on drugs, once the pastime of the rich and famous. It is now an expression of free choice; others will write the checks for the consequences. The competitive obsession of those betting their lives on anything that promises the highest outcome for the least individual effort possible is part of the new understanding of success.

Medical care reform will not bring back the time when doctors made house calls, unless you mean a Skype visit (already in use). The judicious private medical examination of the past (for those who could afford it) is gone forever. The future physician is WebMD, Watson, or the like. Only one percent has enough money for the real MD (except for those who own their doctors and nurses).

Computers—in the guise of smartphones, intelligent autonomous agents, embedded systems, and various types of robots—are here to stay. Foolishness loves company. They are part of the world’s fabric. So are messages, texting, and tweets, encapsulating news, political action, and scientific breakthroughs. For the latter, venture capitalists can hire a dumbing-down service in order to understand what these are about, that is, how they will make money. Society will not revert to slower times (despite the “slow food” movement); the right to abortion will remain the law of the land, while the price of a one-night-stand will decrease, as it becomes as common as a can of soda.

Guns will continue to be in the hands of hunters and sports shooters, as well as in the hands of criminals and the mentally ill. Americans are convinced that in a democracy they have the sacred right to carry them, NRA member or not. Getting rich from selling arms, including to those who want to kill Americans, will continue. No matter how many Americans are shot to death, there will be no un-ringing the bell of misinterpreting the Constitution's Second Amendment so long as stupidity overrides responsibility.

As normality overrides itself, Americans have entered a phase of their existence characterized by the transition from limited opportunity to unlimited expectations, along with their fulfillment. The corollary to this law is the morphing of needs, desires, and expectations into entitlements. Some call this "socialization of opportunity."¹⁹⁶ Increased success in satisfying basic needs, and an ever-broader range of desires—some unimaginable in the past—is a matter of record. Within this development, the enormous discrepancies between those who have unlimited access to prosperity and the vast majority living on the new edge of existence are also a matter of record.

America cannot un-ring the bells of the accumulation of excessive wealth, just as she cannot un-ring the bells of wealth redistribution. Over 45 million Americans (more than ever before in absolute numbers, as well as percentage of population) qualify for food stamps; 50 percent of households benefit from some form of entitlement. It became their right to rely on them, to the extent that some have become dependent on forms of aid meant to be provisional, and to supplement their own efforts. In the richest country on Earth, almost 15 percent of Americans are living under the official poverty line. Ten percent earn minimum wage; in current dollars, they make 30 percent less than they would have ten years ago. To un-ring the bells of this depressing tune is unrealistic—minimum wage or not. Welfare benefits often pay more than work. It is a noble (some might say *quixotic*) cause to conceive of a framework of reciprocal dependencies within which such contrasts become impossible. If America could repair inequities, that might reposition her as an authentic champion of human decency and rights. Unfortunately, inequities seem to be on the rise. They reflect the decreasing cognitive awareness of those who carry out instructions instead of exercising their intellect to devise fair and rational solutions.

196 Samuelson, R.J. "CEO Welfare." *The Washington Post*. 3 April 2003. More recently, the welfare of politicians, generals, and celebrities came to taxpayer attention in the context of discussions over reducing Social Security and Medicare benefits.

Forget the myth that the wealthy use the money not paid in taxes in order to invest in something that will, in the final analysis, help the economy and create more jobs. One would have to be stupid not to understand that the post-industrial transaction economy works in a different way. Inequality is a source of profits, not a hindrance to achieving them. The highest earners in the USA are paid as much as \$275,000 a day, and not necessarily because they are more intelligent. To put things in perspective: one billion people—1 in 6 of the world population—live on less than \$1.00 a day. In this context of opulence, the so-called American Dream (qualified as such in the fluffy and tear-jerking lines written by a presidential speechwriter) was defined. Simple definition: Each generation will do better than the previous one. No limits. A small logical error makes this dream more difficult to attain as time passes and sustainability enters the picture.¹⁹⁷ Instead of each new generation becoming smarter, the opposite is the rule.

Living with Illusions

Neither the morality nor the ideals nor the rationality of the past can be restored. This holds true for rich and poor, powerful and powerless. A way of life of indisputable abundance and comfort will remain precarious, if it does not become progressively worse. Performance enhancement and the numerous means of engineering success (for athletes, singers, dancers, or for procreation) have become part of human existence in the age of plenty and entitlements and cognitive surrender. They are the new illusions. So is the expectation that gun ownership means liberty and security. Guns are here to stay because wishing illusions away is not the same as effectively having their owners realize that they actually have neither more liberty nor more security.

Americans will have to realize that what fired up the competition to engineer a world of plenty is the expectation of higher efficiency. Knowledge, among other things, made this possible. With this understanding, it would be time to give up hypocrisy and accept that the aura of purity and providential guidance associated with America's phenomenal success is itself an illusion. It is not out of goodness of heart or of freedom that more of everything, and often cheaper than ever, is produced. The world's fast-growing population needs to be fed and kept in place. If the USA—and the rest of the western world—does not want to be overrun by billions of destitute and desperate immigrants, it had better deliver the much-needed assistance to their home address.

197 Stiglitz, Joseph. "The American Dream is a myth. [...] America has the least equality of opportunity of any of the advanced industrial economies." *The Price of Inequality: How Today's Divided Society Endangers Our Future*. New York: W.W. Norton, 2012.

Americans keep their immense territory available for golf courses, horse riding, hunting grounds, gardens, parks, and forests. Recreational facilities take millions of acres. These will not un-ring the bells of the tent cities at various aid centers, erected for those who would otherwise die of exposure and starvation. They are shown in short televised clips, so as not to disturb our peace of mind. Imagine these tents instead set up by the Occupy Wall Street groups in Zuccotti Park, or in downtown Chicago, on the Mall in Washington DC, or on Fisherman's Wharf in San Francisco. The doubling of the number of immigrants all over the world in the last ten years—currently over 300 million, with an additional 700 million who want to immigrate—is an overwhelming reality. To imagine them arriving en masse at the land of opportunity is beyond any spectacle that Hollywood can produce, but not to be excluded. The illusion that we can keep them away surpasses the illusion that we can keep terrorists at bay.

The American Dream still comes true—for some more than for others, however. The next generation still has it better than the parents who arrived from another country. But it might be the last to experience this.¹⁹⁸ The only remaining superpower in economic competition or in military confrontations continues to boast prosperity even as it grows deeper in debt. America's credit card passed its credit limit long ago. A lot speaks in favor of America's potential to better herself, but for this to come about Americans would have to understand their own role in the process. They have to resist stupidity. Hated or not, government—you cannot un-ring the bells of Americans' mistrust of government—would have to improve and assume more than the role of a parasitic bureaucracy. If all kinds of organizations contribute to the rise of empires and superpowers, they also greatly contribute to their eventual failure.¹⁹⁹ None other than Putin warns the USA about the high cost of military hegemony (just as Russia prefers to deal with a weaker USA).²⁰⁰ Those who care for America's future will have to reflect on the new condition of organizations (bureaucracies, the military, the security establishment, political parties, political lobbies, etc.) in a context of fast change. The "operating system" called the Constitution was not conceived under the assumptions of a large-scale institution, steered by incompetence, corruption, and greed, able to derail America as she moves from post-industrial capitalism to post-capitalism.

198 Task, Aaron. "The 'American Dream' is a Myth: Joseph Stiglitz on 'The Price of Inequality.'" *The Daily Ticker* 8 June 2012. Web.

199 Acemoglu, Daron and James A. Robinson. *Why Nations Fail: The Origins of Power, Prosperity, and Poverty* New York: Crown Business, 2012.

200 Lerma, Xavier. "Obama's Soviet Mistake." *Pravda Online*. 12 November 2012. Web. "...instead of solving the problem, militarization pushes it to a deeper level. It draws away from the economy immense financial and material resources."

Traveling to a Different Tune

If Americans can share in the determination to understand change, they will also realize that it is always future-driven. Acknowledging the need to set a new foundation for what this country might become can be reached only through engaging her cognitive abilities. The path to self-destruction that the Soviet Union took is not an inescapable curse. Many of the reasons for facing the danger can be traced back to the founding of the USA. The shortcomings of the initial framing deserve attention not in order to undermine the reputation of the Framers or (heaven forbid!) to dispute the significance of the American Revolution, and even less because answers from the past might apply to today's problems. To understand what the initial vision left unfinished—an effective dedication to equality, for instance—helps in figuring out why history is not reversible. Moreover, to understand the initial vision leads to the realization that amendments and reforms, no matter how well-intended, are insufficient under conditions of existence that the Founders could never imagine.

Living with the unavoidable is based on understanding what makes its many bells “un-ringable.” Acting as though America can revert to an ideal that really never existed will not help. Fundamental changes, not simple adaptations, are required. It is in this respect, and with the understanding of historical irreversibility, that the thought of a second American Revolution and Constitutional Convention is advanced. Wishful thinking, no matter how inspired or noble, does not turn the clock back.

BY THE PEOPLE, FOR THE PEOPLE

On the occasion of the Constitution's bicentennial in 1987, it was observed that, "of the 170 countries that exist today, more than 160 have written charters modeled directly or indirectly on the US version."²⁰¹ This view corresponds to the findings of a study that examined 729 constitutions adopted over time by 188 countries. Since 1990, however, the vast majority has ignored the American model. It is outdated, unclear, rigid. Visiting Egypt in 2012, Supreme Court Justice Ruth Bader Ginsburg stated bluntly: "I would not look to the United States Constitution if I were drafting a constitution in the year 2012."²⁰²

Conceived under the assumptions of permanency, it spells out procedures and principles, but does not reflect awareness of dynamics. If change should eventually make revisions necessary, Article V spells out how this is to be done: a three-quarters majority in a convention of state delegates. This is a formula for maintaining the status quo. In order to keep things the way they are, Congress has ignored applications by all fifty states for a Constitutional Convention, involving submissions of 567 various proposals. The fact that America still sticks to an outdated "operating system" can be explained, but not justified.

A Visionary Identity

The Constitution addressed the shortcomings of the Articles of Confederation and Perpetual Union. Its original seven Articles are grounded in the impetus of the Declaration of Independence. In an inspiring language of broad ascertainties, the Constitution defined a Union dedicated to a free and prosperous people. In 1789, the Bill of Rights completed the script: there was no longer an empty stage: a cast of characters endowed with rights populated the drama. Nobody can or should attempt to downplay these historic documents. To restate respect for what the writers were able to achieve is a premise for any attempt to suggest alternatives.

201 Adam Liptak cites *Time* magazine's Bicentennial issue of 1987. See: "We the People' Loses Appeal With People Around the World." *New York Times*. 6 February 2012.

202 Ginsburg to Egyptians: "I wouldn't use U.S. Constitution as a model," *Fox News*. 6 February 2012. See; <http://www.foxnews.com/politics/2012/02/06/ginsburg-to-egyptians-wouldnt-use-us-constitution-as-model/>

So far, this book has raised a number of critical issues pertinent to the future of America. Why, for example, did the USA not become a nation-state? Is the fact that the Founders aspired to create an economic union (which is more than a collection of alliances) a shortcoming? Or was the economic union actually an advantage, an innovation—projecting the USA directly into the post-nation-state era? At that time, it was an American innovation, to be followed much later by others—if not literally, at least in spirit. In the post-nation-state age, borders, national identifiers, and nationalism, etc. are understood as vestiges of the past. In order to maintain viability in the global economy, such barriers are eradicated (the aberrant wall between the USA and Mexico notwithstanding). From this vantage point, America-the-Economy of the end of the 18th century seems to embody a visionary identity.

Other questions deserve our attention. Why was America, the representative republic, not established on democratic principles from the very beginning? Why did the Framers choose the representative republic, not a democracy? What is her future, given that capitalism is apparently exhausting its potential? (Yes, there is an end to capitalism, as there is an end to everything.) The crises of capitalism in the post-industrial era and the devastating consequences for America and the rest of the world, lead more and more people to question its legitimacy. Furthermore, an increasing number of individuals have expressed serious doubts in respect to the political system of the USA that supports capitalism. In this sense, broad goals such as to “establish Justice, insure domestic Tranquility, ... promote the general Welfare” remain more an unfulfilled promise than a template for action. Instead of guiding specific activities in order to achieve equality under the law, security for the people, stability of family, and help for those in need, they serve as flashpoints or demagoguery.

Within the few political principles affirmed, the system of checks and balances is probably the most prominent contribution to a modern understanding of government. It is not an American invention, but it became an American practice. As such, the system is undoubtedly relevant to an advanced understanding of politics. Ultimately, human beings elected to office, with their virtues and weaknesses, maintain (or not) the coherence of a government supposed to represent them. High principles on their own never metamorphose into the glory of deeds. Ambitious America set high goals, but principled action did not automatically follow. Derailed by economic pressure, checks and balances give way to only the appearance of the same.

Procedure Over Substance

Despite a good and convincing foundation, the edifice of practiced American politics appears as a patchwork of conflicting goals. Integrity gave way to corruption; checks became payments, not social scrutiny. Balances are opportunistic: “You scratch my back, I’ll scratch yours.” Even the most inspiring political principles, for which the Constitution is often praised, can end up meaning less than what was intended. American history documents that if not translated with integrity into the realities of political acts, the highest principles fail. This is one of the main reasons why the US Constitution is by now of less interest to other countries. It stopped short of preventing the corruption of principles. When foreign policy, for example, is carried out mainly by the military, the original vision is sacrificed. Missing an adaptive dimension, the Constitution was eclipsed by realities the Framers could not foresee. After government (President, Congress, Judiciary) learned how to circumvent the system of checks and balances, governing became a matter of private choices, informed by party affiliation, instead of being an expression of dedication to the well-being of Americans.

Rights, but No Responsibilities

Given the way America evolved, one has to address the question whether the USA is a country of law, or actually of lawyers, an attorneyocracy. This is less about lawyers, who have certainly played a major role in America’s history, and more about principles. The professional politicians, more and more “nobles by birth” (part of the new aristocracy), complain about the judiciary caught red-handed in the act of legislating. Instead of being the guardian of the law, the judiciary created new political and economic realities: decisions on eminent domain, abortion, guns, lobbying, status of corporations, and so on. The explanation is obvious: America-the-Economy has no patience with politicians, even those it pays (bribes) to represent her interests. If politics, consumed in party bickering, cannot do what banks or industries want, or what suits the oligarchy, the judiciary will do it. Consequently, the political notion of freedom was split into a variety of freedoms: to lobby, to abort, to carry all kinds of weapons, to evict owners from property that can get higher taxes when sold to developers, to deal in securities, to hedge, to control immigration, to contribute unlimited sums to political campaigns (i.e., to try to own the outcome).

It is of extreme detrimental consequence to produce legal documents on an infinite number of rights—some of such insignificance that the political notion is compromised—without associating remedies to situations when rights are

limited or ignored. To keep within the framework of the Constitution, let us consider the controversial right to bear arms. The Constitution states why it granted this right; however, no remedies related to abuses or accidents resulting from “the right to bear arms” were stipulated. Laws deriving from the Constitution have not brought about any improvement in this respect. Driving, which is less dangerous than shooting, is associated by law with mandatory liability insurance. It would be only logical to associate gun ownership (and ownership of other weapons) with liability insurance, and, yes, to a tax on owning guns based on their particular type. Although the authors of various statutes (federal, state, local) claim that they are grounded in the Constitution, the result is rather disappointing. They make up a very inconsistent and sometimes contradictory body of laws.

Responsibility, even if properly codified in laws, will not automatically manifest itself in human behavior. Only the practical realization of societal codependence can instill it. If guns don’t kill (the mantra of the NRA), drugged gun users frequently do. The Constitution cannot address the call for legalizing recreational drugs (not just marijuana). But it can affirm freedom, invoked by people pushing for legalization of drugs or the right to own any type of firearm, in conjunction with responsibility.

For any observer of life in the USA, it very quickly becomes obvious that rational or irrational expectations of all kinds (the right to own guns, to use drugs, to obscenity, to child abuse, to abortion, to violence, to living at the expense of future generations, among so many more expectations) are blindly associated with freedom. The Constitution failed to set freedom in a civic context. Consequently, no other notion is more abused in the USA. The freedom to act stupidly tops the list. There are other high principles—the right to property, to free speech, to religious freedom, to freedom of the press—which would make more sense if they were associated with responsibility. In the absence of such provisions, freedom of any kind is meaningless. A lofty Constitution makes for good slogans, but not for an effective political program.

Identity Is More Than a Card

The condition of Americans themselves, their citizenship, i.e., political identity as an expression of rights and responsibilities, of privileges and obligations, is yet another subject deserving of attention. Nobody familiar with the functioning of the nation-state, which is still the identity of the majority of the countries in the world, can understand the political definition of America as a country of Americans. Nobody understands how one can

speak of Americans as the legitimate owners of a country called the USA while America is deeply indebted to the rest of the world. The united freed colonies sold their independence to all kinds of bidders of their aggregated (and individual) debt.

A Constitution should express the desire and determination of Americans to live within their means, which are in no way modest, as everyone knows. (Of course, if that is what they want.) Short of such a Constitutional statement, America will perpetuate the arrogance of living at the expense of other nations, or illegitimately, at the expense of future generations.

What do Americans own when the average total debt per family is \$693,747?²⁰³ Such a huge number adds up when considering how much Americans actually borrowed to buy their homes, cars, appliances, boats; to finance their education and that of their children; to pay expensive medical bills and to pay their lawyers. The bulk of the debt is what the USA has accumulated as long-term obligations, some on credit from other nations. Only the so-called national debt is close to the GDP—over 16 trillion dollars. Military and civilian pensions, retiree health benefits, together with publicly held debt, are over 12 trillion dollars. On behalf of Americans—but not through their commission—the government made huge commitments: in federal insurance payouts, in loan guarantees, in various types of leases. These add up to over 1.5 trillion dollars. Most of the debt pertains to Social Security, Medicare, and Medicaid—entitlements that are unsustainable under the current provisions. This is an almost 50 trillion dollar liability. Prosperity was attained on the backs of other peoples and on money borrowed to the extent that the rest of the world has the right to be suspicious of a Constitution not preventing such a situation.²⁰⁴

There is the birth certificate for each newborn American, and there is the passport, a federal ID mainly for travel purposes. There is also the driver's license, certifying an individual's right to drive, but also used as a de facto identification card. The Social Security card, yet another federal identifier, further associates Americans, and those foreigners earning money in the USA who also pay income taxes and Social Security taxes.

203 "U.S. National Debt Clock: Real Time." N.p., 5 June 2012. <www.usdebtclock.org>.

204 Coburn, Tom A., and John Hart. *The Debt Bomb*. Nashville: Thomas Nelson, 2012, pp. 15-16. Senator Coburn points to an unfunded liability of \$61.6 trillion, with Social Security and Medicare making up 75%. If Generally Accepted Account Principles are applied, the amount is closer to \$119.5 trillion. Based on data from the Congressional Budget Office, the fiscal gap was recalculated at 222 trillion (cf. Kotlikoff and Birrus, August 8, 2012).

Still, America was and remains reluctant to accept an identity card proper. There are many reasons for this. Someone like myself, who knows how far governments can go in controlling the population through the identity card, is sympathetic to the refusal. But resistance is illogical. In our time, tracking, carried out in so many ways and by so many authorities and enterprises, is unavoidable. Each American is tracked more than one really cares to know or is willing to accept.²⁰⁵ “Homeland Security” became an excuse for every imaginable form of invasion of privacy.

So why are Americans afraid of an identity card, especially after “volunteering” even their most intimate information all over the Internet? To have an identity card makes no difference in the context in which individuals are already under full control and supervision of the government and the economy. Actually, it could only help.

The Social Good

As difficult as the subject is, the USA will have to consider education, including higher education, a national goal. This does not mean that America needs a bureaucracy for education; rather, that education goals ought to be synchronized with the exigencies of functioning in the new integrated world of science and technology.

The fact that the Constitution famously has nothing to say about education reflects an understanding rooted in tradition. The states continue to define parochial goals. Yet, an educated citizenry is *the* prerequisite for political engagement. This is not a local or parochial goal. Furthermore, in ascertaining equality, America should see to it that it is grounded on equal opportunity in education. Otherwise, education will create more inequity. It is in the spirit of our times to expect levels of education that are actually aligned with expectations, with standards of knowledge corresponding to the global scale of human activity. In the new digital ecology that shapes all human activity, opportunity is associated with access to meaningful education, keeping pace with scientific, technological, artistic, and cultural progress. If post-industrial capitalism generates stupidity, education could provide a means for opposing it, provided that it resists being instrumentalized by the economy.

It hurts that the younger generation renounces thinking in favor of instant gratification. Boys and girls of all ages know everything about celebrities and close to nothing about their country, and even less about the world. Education

205 “Everyone in US under virtual surveillance’ – NSA whistleblower – RT Op-edge.” Russian Times Online, interview with William Binney 4 December 2012.

in science is deficient; humanities are reduced to the information needed for passing a test, not for life. Students are ignorant of America's indebtedness even though their well-being depends on it, and might cost them sooner or later. It is no exercise in prophecy to fear that this mindless generation, so disconnected from reality, might experience challenges of the magnitude of the Great Depression. Foolishness, i.e., acting without thinking, extends from young age to maturity and even to old age. Education accommodates foolishness instead of stimulating self-awareness and civic skills.

Medical care is another issue of national concern. Americans still practice medical accreditation on a local (state) level, while health is a global concern. There are no national standards. The people pay for the consequences. A distributed system, similar to those built into the economy, would be appropriate. Not centralism, but *intelligent coordination* is necessary. It is testimony to outdated practice that, in this age of mobility, a prescription from one state will not be honored in another. Private insurance does not always extend out of one's state, not to mention the global arena for people working and traveling abroad. This is the reality in which many discover that they are not citizens of the USA, but rather of their respective states, regulating a great deal of their daily life.

Too Stupid to Save Themselves?

The intention of these preliminary remarks calling for a new Constitutional Convention is not to suggest an agenda based on examples of minor or major inadequacies. The Constitution and a Constitutional Convention are not about driver's licenses, gun ownership, schools, and medical care, but about principles. What is not an issue of mere exemplification is stupidity, repeatedly brought up in this book. Of course, stupidity as such is not a Constitutional matter. But the circumstances that favor and stimulate stupid behavior must not be ignored. Arthur Schlesinger, Jr. reflected upon the role of stupidity: "Sometimes when I am particularly depressed, I ascribe our behavior to stupidity—the stupidity of our leadership, the stupidity of our culture." For him, 30 years after Vietnam, a politics of unjustified aggression (he referred to the war in Iraq) is "a case of national stupidity."

National stupidity sounds very drastic; the qualifier "national" invites questioning. Quite often, what comes to expression in American culture is a sense of failed integration. Wave after wave of immigrants leave the familiar behind. They find themselves immersed in a reality that functions through rules they don't understand, and nobody cares to explain. Of course,

no constitution imparts culture. Understanding that America is still in the making, a Constitutional Convention should affirm principles for the process of human integration. For reasons that deserve respect, the USA tries to “speak” in the language of some of its “populations.” Whether the USA is a country of one or many equally accepted languages was never addressed from a political perspective. The costs of giving speakers of Spanish or Chinese information of public interest is not the problem. The fact that this encourages self-segregation is of concern. If “united” should mean more than creating a market, the Constitution should spell out the political goal of people united, sharing a common language (or several, if Americans want this) and commitment to common values.

Are Americans more stupid than Russians? The English? The French? The Germans? The Mexicans or the Canadians? The question concerns the identity of those partaking in the glory and misery of America-the-Economy. In this sense, there is a more defined identity for those who associate themselves with countries having a unified culture, promoting their values through a unified education system. In many countries, healthcare, education, and retirement benefits are “free,” that is, they are declared social benefit for the common good. Citizens pay for them through taxes and other contributions, according to their means. There is a sense of sharing. It does not make such countries socialist (not to be confused with communist) any more than America is socialist. After all, taxpayers support the largest military on Earth and the largest government; they financed the bailout of banks and automobile companies. There is also an accepted scale within which success is rewarded. Progressive countries have their own rich and very rich members of society, as they have their poor and even very poor (in relative terms). But the contrasts are kept within limits by social contract. They entail large bureaucracies, not necessarily larger than those in the USA, but they are different because the law prohibits political influence. And politicians do not enjoy immunity. The citizen is empowered through transparent procedures. The countries fitting the description given above did not go the way of the US Constitution. Yet anyone having doubts about their “social” agendas should take a look at the list of the world’s happiest countries. The USA is not in the top ten, but the countries with strong social programs are.

Sure, like American football fans, the soccer fanatics of Great Britain can behave stupidly; the French are not absolved of the risk of acting out impertinence and recalcitrance; Germans are probably as corrupt as the corrupt in America. But the citizens of these countries realize more than

Americans that there are indeed reciprocal obligations. None of those countries is a label, but a living network of interdependencies, a unifying framework, an evolving culture. The 100-million-dollar bonus bankers and the stalwarts of a so-called free market economy in the USA do not accept such a perspective.

It is not impressions, but facts that define stupidity. A vivid description of the individual in post-industrial America can be credited to Ayn Rand: “Every man has a right to exist for his own sake and must not sacrifice himself to others or sacrifice others to himself.” She described the basic principles of Objectivism: “Man must be guided exclusively by reason,” “Man’s proper ethics is one of rational self-interest.”²⁰⁶ Such individuals embody systemic stupidity. It has led speculators to take their bonuses as a right, an entitlement. Self-interest to the extreme of ignoring everyone else runs the gamut from the stupid McDonald’s customer who calls 911 because the branch she visits does not have the chicken nuggets she came for (expectations are now rights), to the person who feels cheated by drug dealers and calls the police, to the traders all set to sue for their bonus, even after the financial disaster they caused.²⁰⁷ There is no substantial difference between these examples. The attitude is the same: Others don’t count! Self-centeredness is guided by a reasoning informed by expectations. Their fulfillment comes at the expense of the rest of the world. Consequently, America literally mortgages its future to those who finance her excesses and her failures.

The Right to Give Up Rights—Or Trade Them For Affluence

America-the-Economy was a visionary formula: it made room for a trade-off that no other country knows at this scale. Rights can be traded for affluence. Moreover, the trade guarantees that the capitalist engine is driven by consumption. Ford understood this very well. Workers were paid so that they could afford to buy the cars produced on the assembly line. In post-industrial capitalism, freedom and democracy are traded for entitlements at all social levels. A tiny percentage (0.01) of the wealthiest (196 individuals living in New York, Washington DC, Chicago, Dallas, and Los Angeles) elect the government with their money, called donations or contributions. Contrast this to the over 70 welfare programs, for which the government spends almost one trillion dollars. This trade of rights for the privilege of commercial democracy results in asocial behavior. Self-reinforcing stupidity is part of the exchange.

206 Rand, Ayn. *For the New Intellectual: The Philosophy of Ayn Rand*. New York: Signet, 1963.

207 Congressman Jim McDermott: “we have a lot of people who think it’s all about me [...] if you don’t have equity in the society” we “can get mob scenes.” (*Real Clear Politics*, 6 February 2013).

It is more convenient to essentially give over your rights and hold the government responsible for them than to ascertain them in social sharing in the political process. The privilege of being left out of the decision-making processes relevant to the USA is paid through the surrender of sovereignty. Americans no longer care that politicians lie, try to manipulate the public, and abuse public confidence. Stupidity in itself does not cause abuse of power, but accepts it as inevitable. It does not cause corruption, but rather becomes an encouraging factor. Who would notice? Why care if those affected do not care? And yes, anyone in his right mind would laugh to see members of Congress giving speeches to empty chambers, as they follow procedures corresponding to an age and mentality long passé. While Congress wallows in 1776, even British Parliament proceedings have moved on to the 21st century (or almost). A Constitutional Convention would have to bring sanity to the way the legislature executes its mandate. It is time to address the anachronism of the empty ceremonial of rigid hierarchies, of absurd customs, and of privileges.

Stupidity nourishes the generation of more and broader laws—some over 3,000 to 4,000 pages long that only a handful (literally) of legislators will read. Stupidity is the background against which senseless laws are legitimized by reciting talking points. There are means and methods characteristic of our time that should enable citizens to effectively partake in the process, but they are ignored. An example of the scale at which rights were traded for the illusion of “domestic Tranquility” is the entire construct of Homeland Security. It is not for the public’s security that Americans undergo the scrutiny of incompetent TSA employees. The absurd inconveniences—a nation removes its shoes as though it were about to enter a mosque—are ultimately meant to protect the rich and powerful more than anyone else. Terrorists don’t plan to attack Detroit (reduced to the level of being unable to afford street lighting), or the South Bronx, or the South Side of Chicago. Their targets are centers of power and wealth. For the protection of the privileged few, waived through security checkpoints, hundreds of millions are subjected to the loss of their rights. Hundreds of millions accept to be under surveillance for the same reason. The soft tyranny of keeping everyone under control invites surrender to stupidity.

Prepare For a Necessary Challenge

As it confronts a very challenging new age, America has the opportunity to reinvent herself if Americans themselves are prepared to shape up. To reinvent does not mean, as many would be willing to entertain, simply to reform. “To reinvent” actually means to carry out a second “Revolution” with the goal of

empowering the citizens. A responsible citizenry takes charge of the political system, and makes it truly “for the general Welfare” of all, not only for the privileged. The Second American Revolution could set the country on a course that will avert the implosion of the world’s only remaining superpower.

The Framers were aware that their effort would eventually have to be perfected. But the mechanism they put in place, amending the Constitution, is reactionary. It suggests a reaction as a remedy, instead of assuming a proactive political posture. There is no willingness to question, never mind oppose, the skilled incompetence of the bureaucrats.

We know how the founding documents came together; we know who the authors were; we know who influenced them. We have a record of the accomplishments made under the guidance of the visionary document that created America-the-Economy as a formidable reality. But we also know that America is no longer the democracy that Americans talk about, if it ever was. The right to vote has not resulted in ownership and responsibility, especially when the votes cast are not even equal, and when less than half exercise their right to vote in the first place. America gave up political legitimacy as wealth abducted power.

In the age of people’s empowerment—still more a goal than a reality—America should start with redefining what she is; for this, she should start with the condition of her citizens. The economic success of today’s America is 70 percent dependent on Americans as consumers, not as actors in the political scene. This is a major shortcoming: equating citizenship with consumption means ascertaining that the political and the economic are the same. In a democratic society, political success must be 100 percent dependent on citizens responsible for their own well-being. Respect of their rights, as well as awareness of their obligations, is part of the process. Therefore, Americans will have to choose: commercial democracy or political democracy. Such a decision can be encoded in Constitutional principles without interfering with people’s decisions.

An encompassing initiative that engages all Americans is a necessary preliminary to a new Constitutional Convention. It will take years and must start with civic education at the level of elementary school. Real history, not romantic idealized versions of events, should be taught and discussed. Americans must realize that fairy tales about their country and avoiding facts that are sometimes difficult to understand, leads to more stupidity. Viable

solutions will not come from substituting reality with made-up narrative. An elitist initiative or an attorney's coup d'état ("We will draw up a Constitution for you because we know how to formulate laws and regulations.") are to be avoided at all cost. Whether a lottery or some randomization procedure is a better avenue for assembling a Convention is an open question. The Assembly should be the work of all, from the totally disenfranchised to those who, for better or worse, own the country as it stands today. Individuals from all walks of America, young and old, rich and poor, all races, women and men, scholars and the less-educated, handicapped and high performance individuals, artists, writers, cooks, waiters, pilots, stewardesses, should join in the effort. Participation in the process would identify them as new Framers dedicated to an America they want to shape by contributing their aspirations and wisdom. Instead of being passive eyeballs for empty messages, they should reverse the arrow of all media channels and provide their vision.

There is enough computation in the new digital ecology to build up a good image of what Americans would like America to be. If Americans want a future for their country, they cannot leave it in the hands of those who brought the USA to the edge of the precipice. To feel entitled and empowered to change America for the better is an option superior to all the entitlements at work now.

This should not be not a party-based initiative. On the contrary. Party-induced stupidity got Americans to surrender to wishful thinking and social autism. Party identification and party allegiance should not be parameters of any significance. The notion of party itself should be discussed and eventually formalized. For a country as large as the USA is, and having in mind the representation of everyone, and the entire territory covered, a convention of 1,200 to 1,600 people would probably suffice. They should be remunerated by America for the time they will take to come up with a proposal that will be returned to all those who provided the first impetus. Feedback should guide a final formulation and a referendum should mark the adoption of the map for the future.

Is this a utopian project? Will everything else that Americans do—continue their drug addiction, sue each other, abuse spouses and children, fight wars, invent new gadgets, explore Mars, lobby, corrupt themselves and the system, help fight AIDS, give concerts, write books, and so on—come to a halt?

Of course, those in power will fight to keep their privileges. The wealthy will do whatever it takes to preserve what they've accumulated. As we debate what it takes to make a country with a future, as opposed to taking advantage of the

system regardless of consequences, life will continue. The process described above will never be as pure and elevated as it might appear on paper. The first Constitution was not the progeny of an immaculate conception. To understand what a new convention in the so-called knowledge age might be, think about it as a learning experience. The desired outcome, a viable America for our time, should not be confused with a grade or a certificate. A Constitution with embedded adaptive capabilities and self-assessment procedures is a goal worth pursuing.

Yes, at the end of the process there will hopefully be an understanding of what citizenry in the age of global responsibilities entails, and an understanding of what America is in the age of post-national identity. As is the case with any human endeavor, the process offers no guarantee of perpetual happiness, not even the promise of a crisis-free future or of a perfect democracy. It will be as perfect and as vulnerable as Americans are and as their decisions can be. But it will be their will: capitalism or whatever, democracy or whatever Americans might come up with. At that time, the magic formula, "We the People..." will be literally justified.

“AN AMERICA WORTH HAVING”

Since the beginnings of the United States of America, the Constitution has enjoyed an almost mythical status. It was indeed a visionary document in that it provided for the economic development of the new union. Although not involved in its concise and elegant formulation, Thomas Jefferson (who at that time was in France, representing the USA) remains associated with the understanding of the Constitution as a road map. In his view, it would have to be subject to revision as the journey from past to future would reveal new questions and require decisions for unpredicted situations: “The dead should not rule the living.” Madison, to the contrary, wanted the Constitution to be protected from unnecessary modifications. (In establishing how the Constitution can be amended, Article V satisfies both Jefferson and Madison.)²⁰⁸ Ever since the Constitution was signed, qualified and unqualified voices called for its revision.²⁰⁹ Patrick Henry suggested a new Convention even before the Constitution was ratified.

Today’s America is stuck in her past, navigating by means of an ocean chart from the 18th century. As an unprecedented success story, the USA is unable, even unwilling, to meet the challenges of a new world dynamic. America’s present is not a mere continuation of her past. Consequently, an evolutionary path of reforms will not suffice, just as reform of the Articles of Confederation would not have afforded the viability of the united colonies back in 1777.

208 “The Congress, whenever two thirds of both Houses shall deem it necessary, shall propose Amendments to this Constitution, or, on the Application of the Legislatures of two thirds of the several States, shall call a Convention for proposing Amendments, which, in either Case, shall be valid to all Intents and Purposes, as Part of this Constitution, when ratified by the Legislatures of three fourths of the several States, or by Conventions in three fourths thereof...”

209 Between 1840 and 1860, abolitionists demanded a Constitution that would not protect slavery; in 1943, Alexander Heymeyer, Jr. called for a convention for the purpose of streamlining the US government. Among those suggesting the need for a Constitutional Convention are Everett Dirksen (Senator from Illinois), Glen Reynolds (law professor, author, and writer of the successful “instapundit” blog), and the Occupy Wall Street movement.

Hence, a second “Revolution,” as a path to a new Constitution, is necessary for the survival of the USA. Americans should prepare themselves for this. Obviously, revolutions cannot simply be ordered up or conveniently wished. Between the possibility of a revolution and the necessity of one, the difference is more than the number of degrees between simmering water and its boiling point.

Like earthquakes and volcanic eruptions, revolutions, once started, are rarely predictable. You cannot put a lid on a volcano, neither can you make it erupt before conditions for the blow-up are met. As difficult as earthquake and volcano prediction is, predicting a revolution is by many orders of magnitude more difficult. Just recall the uprisings in Tunisia, Libya, Egypt, and Syria, beginning in 2011.

Whenever and however it takes place, the revolution would be, first, the “Adieu!” to the historic document(s) that established the United States. Second, and more importantly, it would result in realignment with the present, as drastic as this has to be. Articulation of a political document for an America defining its politics in view of the future, instead of preserving a self-deceiving condition of permanency, is long overdue.

To maintain a viable historic course, America will have to reinvent herself. The necessity of revolution points to the necessity to remake and redefine, not to destroy. The first making of America was successfully predicated by defining goals (cf. the Preamble)²¹⁰ and a method of operation (the seven Articles). It took place in a context that today is more romanticized than understood in its reality. To remake America means that she redefine her existential condition. She might have been a visionary idea, but once embodied in a political structure, she became as real as all the nations in the world.

Jefferson’s formulation—“institutions must advance also to keep pace with time”—was easy to accept during a time when change came about slowly. In the 1950s, in a new context, Senator Robert M. LaFollette, Jr., recalling Jefferson’s thought, gave an apt description: We live in an atomic age with a horse-and-buggy government (Roosevelt had said the same). Let the reader paraphrase this sentence in the context of the information age. There is nothing to bridge between the original principles (some also in need of a more nuanced

210 “...to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity...”

definition) and new circumstances of life in the digital ecology. America in the age of genetics and self-propagating programs can no longer afford to stay the course on a horse and buggy, or on cars and trucks, not even on airplanes. This is a ride into historic oblivion. The only meaningful option left is to unleash those forces which, under the guidance of a more comprehensive road map, will propel the USA into a future worth preserving, even fighting for.

To bring up, in concert with others, the notion of a Constitutional Convention might still appear as sacrilege to the majority of Americans.^{211,212,213,214} They see the Constitution as “divinely inspired;” others, as a work of human genius. Most Americans have never read it and don’t care to. They are, nevertheless, passionate about keeping it the way they assume it to be—not aware of the changes made to it over the past 200 years. Some of these amendments are unfortunate in their ambiguity or in their attempts to engineer human reality. The Supreme Court rulings, presumably based on the Constitution, actually changed its meaning. The public is even less aware of the Articles of Confederation, which preceded the Constitution, and the reasons for replacing them. When something goes wrong—and so many things seem to be going wrong in today’s America—their fallback position is at best conservative: “If they (those in power) respected the Constitution, this would not have happened.” Refusal to question historic authority is an example of stupidity. When Sanford Levinson (University of Texas-Austin), a distinguished Constitutional scholar, brought up the suggestion (he was not the first to do so), some voices went as far as to question the author’s tenure. The reaction was indicative of an understanding of the letter and spirit of the Constitution that contradicts its provisions. In some people’s minds, freedom of speech is fine, but not for anyone who thinks differently than they do. The inability to notice one’s own inconsistent judgment is another example of stupidity.

If this sounds uncharacteristically American, it is because Americans, free to ignore their own Constitution, have actually detached themselves from the founding principles and from political concerns in general. They are not willing to question their own beliefs. All that counts is the image of success.

211 Levinson, Sanford. *Our Undemocratic Constitution: Where the Constitution Goes Wrong (and How We the People Can Correct It)*. New York: Oxford University Press, 2006.

212 Lessig, Lawrence. *Republic, Lost: How Money Corrupts Congress—and a Plan to Stop It*. New York: Twelve Books, 2011.

213 Sabato, Larry J. *A More Perfect Constitution*. New York: Walker & Co. 2007.

214 In 1944, the Committee for Constitutional Government called for a Constitutional Convention. (The movement grew from a campaign to repeal the Income Tax Amendment of 1913.) The Organization to Repeal Federal Income Taxes attempted the same.

Every time the project of change or revision is raised, the same warning is sounded: If a Constitutional Convention is called, how do we know what can happen? We might end up worse off. Indeed, change always implies risk. The Constitutional Convention of 1787 was not risk-free. In effect, the document submitted was drawn up surreptitiously, and many of its provisions proved less visionary than what Americans hold them to be. Philosophers of history tried to understand the hierarchical structure of government. Robert Michels went on to prove that power structures reproduce themselves even as power control changes hands.²¹⁵ The power structure of the British colonies before the Revolution was indeed reproduced in the new political structure of the thirteen states. It was further generalized in the new central oligarchy, the federal government. The British power structure, an outcome of the Glorious Revolution of 1688, was practically kept in place in the American Constitution. (Not surprisingly, some “revolutionaries” argued for the position of king instead of president.) The hope underlying the call for a new convention, which is made in this book, and the explicit goal, is that a new Constitution for 21st century America will not reproduce the power structures of the past. Evidently, to meet such an ambitious goal, the Constitution will have to be revolutionary in spirit and letter.

“Natural” Rights In a Time of Less Nature and More Society

Clearly, the celebrated Constitution is as much an American achievement as it is an outcome of the Age of Enlightenment. Many thinkers of that time addressed the condition of political power, challenging the assumption of its divine source. They advanced a conception focused on what they called “natural rights.” For Locke, these were life, liberty and property. He was opposed to concentrated power. Other writers included equality, freedom of thought, and participation in governance. The right to vote, entrusted to citizens, and the right to be elected regardless of one’s origin or wealth were associated with democracy. The power of the mob and of ignorant majorities was rather abhorred. In today’s terms, the vote was supposed to reflect the aggregate knowledge of active and enlightened equal members of society, as the men calling themselves “We the People” believed themselves to be. It is in this spirit that the Constitution, avoiding the mechanism of a single decision-maker—like the British monarch—decided in favor of a connected decision process. Decisions reached by several bodies, keeping each other in check, did away

215 Michels, Robert. *Political Parties: A Sociological Study of the Oligarchical Tendencies of Modern Democracy*. New York: Collier, 1962.

with supreme authority. Engaging the free citizens of the states in forming a union was a necessary preliminary. The powerful Framers controlled the rest. In some states, however, the new oligarchy was the old one. This exemplifies one aspect of what Michels called the *iron law of oligarchy*.

Questions regarding representation were also raised. Representatives were supposed to “act in the same manner as the whole body would act were they present” (Thomas Paine, *Common Sense*, 1776). “Fidelity to the public” suggested how often elections should take place. Finally, Adam Smith—“invisible” as he was to the Convention—was the genius behind the understanding of how markets work, and how competition, eventually extended to political life, leads to a qualified representation of value (prices, norms, etc.). “Life, Liberty, and the pursuit of Happiness” (the American paraphrase) are social constructs. The writers of the Declaration of Independence attributed them, for reasons of expediency, to “Nature and Nature’s God.” “Natural” rights entail the rejection of the divine origin of monarchies, not the thought that nature (or divine figures) endows human beings with rights. The ambiguities of the beginning years still haunt us.

The question of natural rights dates back to the Greek philosophers. Its modern discussion, taken up during the Enlightenment, informed the Founders. The formula “natural rights,” however, and even the simpler notion of rights, is a human invention. It is important to understand this because human beings can endow themselves with rights, just as they can be deprived of them, or can conveniently deprive others. The slaves in 1776 USA were not included among those endowed with “inalienable” rights, or any rights at all. Americans ought to finally realize that human beings elaborated the Constitution, and therefore human beings can just as well alter it. They did so when the Bill of Rights was added as an afterthought, and when amendments were added that in effect altered the Constitution. The rights enumerated in the Bill of Rights and in pursuant amendments emanated neither from nature nor from God. They are an expression of power and of the forces fighting to maintain their privileges. The Supreme Court exercises this power on behalf of the political parties.

Nature evinces no such construct as *rights*. There is only one law: survival of the fittest within evolution. This law, in its extension as social Darwinism, eventually became America’s *modus operandi*—until the “unfittest” had to be bailed out. But this took place in an America already less than ever attuned to natural rights and nature, and even less to religion.

Awareness of Imperfection

To list the shortcomings and aberrant interpretations of the Constitution could be seen as a waste of time. Ever since 1787, and after many debates among Constitutional scholars and various political groups, Americans themselves realized that it contained many imperfections. Volumes have been dedicated to this subject. But the system has resisted improvement. Listing some shortcomings—by no means in an exhaustive manner—is intended to help understand why a new perspective, not some fix-ups, is the unavoidable response.

The Second Amendment, which some label “embarrassing,” is one example of the need to understand the entire Constitution in the proper context. Of course, it is not because of this amendment that the USA experiences the tragic loss of life through gunshots. Swords, bows and arrows, crossbows, and machetes are all weapons, but Congress did not have these in mind in elaborating the Second Amendment. Furthermore, the meaning of the right to bear arms is defined in connection to the responsibility to *defend the Union*. Instead of continuing to play lawyerly semantic games, let America decide between domestic tranquility and insecurity. Obviously, the lobby of arms manufacturers and dealers ignore the value of life. They invoke a freedom that is not one. To own a gun does not make anyone free. Every person killed is one too many.

There are also stipulations and amendments to the Constitution that have ceased to be relevant today: the Third Amendment against quartering soldiers on private property in peace time comes easily to mind. And there are many concerns—letters of marque and reprisals, granting titles of nobility—that Americans no longer relate to.

As a union of states, the USA founded in 1787 was different from the nation-states of the time. (They were still going through the centuries-long process of becoming unified, which when the USA was formed, few European countries had accomplished.) The union was different from what the colonies were before they accepted some form of relation among themselves and, furthermore, an identity different from the entities making it up. It was not a nation-state, however, in that there was no nationality to define and maintain. Benjamin Franklin wished for “intercolonial collaboration.” This was too little even in those times, so was the “league of friendship with each other.”

A Constitution that reflects circumstances fundamentally different from the agrarian society of the late 18th century, and even from industrial capitalism, must by its nature be a revolutionary document. For instance: What should the relation among the states be in the 21st century? The European Union is suffering the consequences of an inadequate answer to a similar question. More importantly, what should the relation between states and central government be in a period of both increasing decentralization and increasing interdependencies? The answer cannot simply affirm continuity, as it cannot discard the role of tradition. The scientific-technological revolution, of which the digital/information revolution is a part, has fundamentally changed civilization. It has united various populations, once autarchic and divergent, formed by geography, religion, and social background. America, still captive to her past of colonial and regional fragmentation, is aware of change. Nevertheless, under the pressure of conflicting political interests, she resists keeping up with her own fast pace in overcoming the old nation-state model. Within America, as all around the world, the unifying impetus is challenged by centrifugal forces (political, economic, religious, regional). This is not a matter of states, each acting like a country in its own right, and the central government vs. a united state, but central government of a united state, as in a classic confederation. It is rather about the balkanization of America at the moment when the future is more than ever a matter of global responsibility.

The Congress

For the sake of convenience, let us proceed in the same order as does the Constitution in discussing issues of concern for a Constitutional Convention. Article I establishes the Congress of the United States. To the Congress are reserved the greatest number of enumerated powers. Congress was supposed to convene for a short time (a month or so), after which the Congressmen went back to their respective states, whose interests they, in effect, represented more than those of the Union. In regard to Congress and Article I, here are some issues that a Constitutional Convention would have to consider.

Some Votes Are (Way) More Equal Than Others

Consider (like many others have) the arithmetic of Senate representation. The elementary principle of equal vote associated with representation is violated. Candidates need millions of votes to be elected to the Senate in a large population state (California, New York, Texas). They need just less than two hundred thousand if they run in a low-population state (Wyoming, the

Dakotas). Behind this reality lies the contentious history of how the Senate was conceived (through the Connecticut Compromise). Two chambers were created. Representatives were allotted to each state based on population, thus giving some states more (especially in the North) votes in the House. In the Senate, each state has two votes, ensuring that each state has equal say in matters important to each one. Initially, state legislators, not the free men of a state, elected senators. There was not even the semblance of democracy. With passage of the 17th Amendment in 1913, Senate election by popular vote was adopted. Two different voting metrics are applied—one for the House of Representatives, and another for the Senate. This is a logical and political aberration. In a democracy, votes are supposed to have the same weight: one person’s vote is as good as another’s. In reality, inequality of votes is sanctified up to this day.

If a Senate seat becomes vacant, the state can nominate another person. The rules are different from state to state. One governor wanted to sell the seat (he is now in jail). Sometimes the surviving widow inherits the seat. Parties have a say in the process as though parties were entitled to represent the population. The incoherence of the process, in defiance of a democratic procedure, makes many wonder why the situation has not yet been considered, much less remedied.

Article I, Section 2 of the Constitution requires a decennial census for the legitimate goal of ensuring a fair distribution of seats in the House. The Framers never had population dynamics (i.e., moving from rural areas to towns and cities) in mind. Moving long distances was difficult and time-consuming. The Founders could not envisage the mobility that Americans enjoy today. Neither could they imagine what would happen when people not entitled to vote (people who did not own property, Blacks, women, the native population) finally became enfranchised. And though they realized the danger that political parties would pose, they did nothing to prevent their development and their involvement in the election process. Article I, meant to avoid over- or under-representation, gave the men already in power an instrument for controlling the outcome of elections. With party involvement, drawing and redrawing district lines (the politics of gerrymandering) continue to have the same effect. With the help of technology, the method is more noxious than ever. There is something fundamentally dangerous to democracy in “ethnic cleansing” through partisan gerrymandering. It is, in effect, “voting before

voting.” Therefore, not only the Senate, but also the House of Representatives, ends up being less than representative, and more a product of commercially driven, party-based social engineering.

Voting and Polling

America today is run by polls. In some ways, a poll delivers a sample of what Americans do or do not find acceptable at the moment. The information gathered can be, and usually is, fed back into the political discourse for opportunistic purposes. Partisan demagoguery, supported by the media promoting the demagogue of their choice would make the *Newspeak*—introduced in Orwell’s novel 1984—sound innocent.²¹⁶ Of course, objective data could inform various activities. On a local basis, this information used to be gathered in town meetings. The knowledge gained from precise polling could be of real value as long as the poll is not rigged or slanted to obtain a desired result. But polls are now actually used to undermine the “wisdom of the crowds,” and to transform them into herds. Political tribalism, which is an expression of herd stupidity, is fatal in a democracy. Politics driven by polls can be only shortsighted. It is the politics of now. Authentic leadership (so absent in the USA) actually means challenging, stimulating, staying the course, even if it is not popular.

There is no way for anyone, whether it be a new Washington, Jefferson, Madison, Lincoln, or Roosevelt to have his or her voice heard as long as the party monopoly on the power game remains in place. By now, the population knows how the power game is played. This explains the new American cynicism, yet another expression of stupidity. Where critical thinking is discouraged, people give up thinking altogether.

Voter registration and identification became part of the game. Those desiring to secure the votes of minorities, the poor, and the elderly object to voter identification. Cheap appeasement counts more than concern for the integrity of the process. Their objection is only a cover-up for a system that benefits demagoguery, not civic responsibility. You cannot legally drive a car without a license; you cannot get medical care or even a library card without

216 *Newspeak* is a fictional language based on destroying the English vocabulary, redefining concepts in order to suit political ends. In Orwell’s essay, *Politics and the English Language*, he stated, “I said earlier that the decadence of our language is probably curable. Those who deny this would argue, if they produced an argument at all, that language merely reflects existing social conditions, and that we cannot influence its development by any direct tinkering with words or constructions.”

producing identification. Access to telephone and banking services is not provided without two pieces of identification.²¹⁷ No one makes a fuss about these demands. No one considers them discriminatory. An identity card is not only free, but every state makes them readily available. Actually, you cannot visit the offices of those politicians against identity cards without producing not one, but two pieces of identification. You cannot attend a political party convention without producing several proofs of identity. In a democracy, this is the most important right, not to be played with in any way. Elections as an expression of democracy will have to be constitutionally defined in association with a notion of citizenship that reflects the spirit of our time.

What should be done about the Electoral College? The Constitution charges it with actually electing the president. It specifies the number to which each state is entitled, but specifically excludes members of Congress or anyone holding political office. Who are these mystery persons, the electors, who have more right to elect the resident than the voters do? America had five candidates for the highest office who eventually became presidents without the majority of the popular vote. Worse yet: The majority of Americans do not vote at all, identity card or not. That means that there is no democratic majority to start with. Pollsters do the voting. They add up calculated electoral votes and produce a map of victory. “Safe” states, or those with few electoral votes, rarely meet a candidate. Huge sums of money and influence are peddled in the battleground states, where many electoral votes are at stake. In reality, a successful candidate is one whose team of advisers produces not a political platform, but a business plan that details the price to be paid to those who will give him (not yet her) the key to the White House. In this manner, the democratic principle of one person/one vote is yet again skewed in favor of a game theory formula. The formulas used in hedge fund speculations are basically the same.

Consequently, each president remains indebted to his campaign managers, and, using the spoils system, offers them a government positions, conflict of interest or not. The fame (or notoriety) of Carvel, Rove, and David Axelrod (enjoying power without any legitimate mandate) comes from manipulating the loopholes in the Constitution. In its current formulation, the Constitution

217 Providers often request one of the following: driver’s license, Social Security card, vehicle registration, passport, utility bill, employment or school ID card, certified copies of one’s birth certificate, or a notarized copy of either mortgage deed, lease, or rental lease.

does not prevent the usurping of political power with the aim of gaining economic benefit. As Glenn Reynolds put it, we have “the worst political class in our country’s history.”²¹⁸ This class will not give up power and privileges without a fight. Neither will their consultants who make a princely living on the public dime spent by the Republic in the autistic spectacle of politics (136 million-dollar subsidy for party conventions alone). A Constitutional Convention, called not by parties or the government, but by the people, will be a battleground. Nobody gives up power and privileges without a fight. Hopefully, the good of the people will triumph. Otherwise, the USA will be yet another example of a failed idea.

American Oligarchy

In the age of information processing, the structure of the political system and the system of checks and balances deserve profound reconsideration. “The vaunted system of ‘separation of powers’ and ‘checks and balances’—the legacy of the founders’ mistrust of ‘factions’—means that we rarely have anything that can be truly described as a ‘government,’” writes Sanford Levinson.²¹⁹ The design of a self-perpetuating government, interested in keeping the Constitution as it is, is a structural shortcoming in direct association with pre-programmed gridlock. Even the Articles of Confederation recognized the danger of unlimited terms of office. The current Constitution does not allow Americans to control the hold on power by elites. This is how the political class formed, and how it legitimizes itself. Instead of the rejected British dynasty, the USA is now in the hands of dynasties (pretty much like those known in South America and Africa) eager to monetize their grip on power. The “iron law of oligarchy” is illustrated by the process through which the American establishment took hold of power. It does not matter if a politician comes from a wealthy family or a poor one. They all align with the power structure and become its stalwarts. Regardless of which faction is in power (red or blue), the structure is the same; the goals never change.

Article I also stipulates the term of office for representatives and senators. Term limits for all three branches of government would mitigate, at least, the danger of gerontocracy, which is as risky as the power of the immature and incompetent. There are alternatives worth considering. Term in office

218 O’Toole, James. “Constitutional Convention Call Gains Traction.” *Pittsburgh Post-Gazette*. 3 July 2012, quotes Glenn Reynolds. <<http://www.post-gazette.com/stories/news/us/constitutional-convention-call-gains-traction-223813/>>

219 Levinson, Sanford. “Our Imbecilic Constitution.” *New York Times*. 28 May 2012.

should be limited. To serve for terms, not to exceed six years, in Congress, and one term as president, increased from four to six years, would reinstate the Framers’ intention that the people and the nation be served, not the person holding office. Term limits could make government more meaningful in that no person would accumulate excessive influence. It might also help to avoid the perpetuation of the political class. Of course, a convention for a new Constitution should not avoid the issue of financing elections. For reasons of providing a level playing field, all legitimate candidates should receive equal financial support for their campaigns. All donations, however large or small, should be pooled and equally allotted to candidates. Money should never again buy a person’s office.

Commitment to the office and to performing as expected (and needed) can be expressed through a contract with the electorate. Failure to perform should have consequences. The cumbersome impeachment procedures in place are not effective and not democratic. Rigor and integrity can be achieved through a rational procedure, disregarding party considerations. A president, a member of Congress, or a member of the judiciary who performs miserably, who cannot live up to campaign promises, or who fails to live up to the exigencies of the office, runs the risk of losing office and the benefits associated with it.

Rethinking the Presidency

Within a power structure meant to have three equally important branches of government, there is no place for any royal tendencies, which fly in the face of the “original intent” of the Union. Pomp and protocol, inspired by a past that nobody can relate to, have no place in the government’s exercise of authority in the 21st century. A one-term presidential appointment will spare the USA and the world the sorry spectacle of a president, paid to govern, taking months (now years) to peddle his own wares (at taxpayer expense) in order to be reelected. A six-year term is sufficient to carry through an agenda. If a program is truly in the people’s interest, it will be taken up by the next president, or dropped if it is not. The one and only allegiance will be to the electorate, not to party, lobbies, friends, family, business interests.

Term limits and compensation can be considered together. It is not uncommon that by the time an individual is elected president, he has served in several government positions—governor, senator, representative—or might already be wealthy in his own right. How is the president’s pension to be determined when he is entitled to multiple retirement plans? A president,

like other politicians, makes money off of his experience, during and after his term of office, through books, lectures, consultation fees, etc. The president's retirement benefits, which include Secret Service protection for him and family members, the cost of maintaining a private office, travel, his widow's pension, and the "royal" funeral, deserve to be aligned to the respect for the office, but also to the living standard of the average American. And as with the average American, his pension should start at the retirement age defined for all by Social Security.

The USA has no need for a royal presidency. The president should not act as (or give the impression of being) a beneficent monarch. The first lady (or whatever the homosexual couple might one day want to call the role) should not be considered as an extension of the president. In a day and age when husbands and wives have their own lives, Americans owe it to them to protect their freedom of choice. In a democracy, the vote is not for the spouse, and even less for privileges surpassing those of monarchs. The USA no longer lives in a time when the wife was an attachment to, or extension of, the husband, acting as unpaid help. ("My wife should be paid," demanded one president, apparently not eager to pay her out of his own pocket for having her campaign for him.) Most likely, the spouse's role will not be (and should not be) a matter of explicit concern in a new Constitution. But the spirit of the Constitution should reflect the understanding that a future president might be a woman, a partner in a homosexual union, a Buddhist or a Muslim, or an atheist. In Germany and France today, the respective presidents (not at all religious) have an unmarried partner; it can—and most certainly will—happen in America, too.

Regarding a more substantive subject: the limits of executive power and the methods of exercising it need to be defined. This will exclude situations of arbitrariness, not only under emergency situations, such as succession to the presidency when he is unable to function, or during attacks against the USA, whether at home (such as the bombing of the Twin Towers on 9/11/2001) or abroad (e.g., a terrorist attack against Americans). Who is actually responsible for declaring war: the president or Congress (as stated in the current Constitution)? Who is responsible setting the nation on a sound financial track, or for getting the nation out of a financial crisis?

More important, what is meant by "executive privilege"? Under executive privilege, measures are enacted that have consequences for every American. "Executive waivers" allow not only the president, but other federal

administrators as well, to selectively enforce laws. These are questions too serious to be left to a fuzzy notion of who is entitled to act. Should the USA decide to allow them? If yes, what restrictions should be imposed?

In the 21st century, it makes no sense to remain captive to rules of political continuity reflecting conditions of life in the early 19th century. The validated vote, in the election of president (as well as congresspersons), should result in a swift succession of power. The frenzy of lingering presidents (“lame ducks”) wasting time and energy over rules and regulations, which will be cancelled once the new Congress or president begins their respective terms, is absurd. The eleven weeks between Election Day and Inauguration Day only serve to extend influence beyond any useful term of office. The so-called “midnight rulings” that President Carter, for example, left behind exceeded 24,000 pages; Clinton’s were some 26,000 pages, and Bush, Jr. was not far behind.²²⁰ Probably, no more than a month should go by for the orderly transfer of power. Either Election Day or the inauguration date should be moved accordingly.

The entire wasteful ceremonial of power transition, called the Inauguration, is politically superfluous. The Inauguration can be televised and web-cast in real time. The proper example was set in 2013 when President Obama took the Oath of Office on the official date of January 20 (a Saturday). No fanfare, no self-celebration. Inauguration Day in the USA more and more resembles the coronation of the English monarch. As a matter of record: No leader of any other modern country celebrates himself or herself as does the US president, seemingly because that’s what the people want, or are told they want. Engineering fantasies (of royal aura) is not a function of the presidency.

It might be of marginal significance that Article VI excludes the possibility of an oath based on religion. Still oaths are taken on the Christian Bible (and on the Koran). The Oath of Office written in the Constitution does not include the ending phrase “so help me God.” This flies in the face of the original intent of the Constitution. Nevertheless, the supplication, intentionally not adopted by the Constitution, never raises any qualms. Does it make all presidencies asking for God’s help invalid? What will happen when the first atheist is elected president? Or a member of a religion that does not accept oath-taking? Or a member of an idolatrous sect? This is America, where everything is possible.

Continuing the tradition, embedded in tribal practices of war, of automatically having the president assume the function of commander-in-chief is tenuous, at best, in our time. The military has become an extraordinarily specialized

220 Carey, Maeve P. *Midnight Rulemaking*, Congressional Research Service. 18 July 2012.

enterprise. Military action takes place in a different timeframe, much faster than that of political decision-making. Furthermore, the military has acquired a worrisome political power that escapes the president's effective control, regardless of his title. To regain political control over the military does not automatically require that the president be commander-in-chief. Turning a man (actually, several men by this time) who refused to serve in the military into the commander-in-chief of those who enlisted, for whichever reason, is ultimately an act of demagoguery. There must be a better way than the one practiced by kings and dictators—all commanders-in-chief, or posing as them. They can dictate torture, assassinations, and arbitrary actions against foe and friend. The USA is getting a bit too close to such an exercise of executive power.

“President” is not a title for life. Yet every former president is addressed as though he still occupies the White House and runs the country. The unfortunate habit carries over to the senators and representatives, projecting upon them a false sense of their significance in the scheme of things. The American Revolution did not aim to create a new nobility of former presidents, representatives, senators, or Supreme Court justices. Even if it had, we do not need it.

Neither the Constitution nor the people dedicated to a new understanding of government ever supported self-aggrandizement. Presidential libraries present a skewed image of their namesakes. For all practical purposes, America is the owner of the entire historic record. In the spirit of the time, instead of individual libraries scattered all over the nation, making them harder to reach and more expensive to operate, the USA should make the records available to the public that has already paid for them. If the former office holders want to build centers, libraries, or institutes, let them do so with their own means (contributions included, but not tax-deductible). The fact that some foreign governments and corporations buy influence by donating to presidential libraries makes the need to “neutralize” such libraries by disassociating the names of former presidents from wealthy interest groups.²²¹

The Judiciary

Article III establishes “one supreme Court” and “inferior Courts” to be established by Congress. It describes the types of cases that the Supreme Court (a capital “S” is used today) is charged with hearing: “all Cases, in Law and Equity, arising under this Constitution.” Unfortunately, justice is not always

²²¹ The list of donors to Clinton's and Carter's presidential libraries is indicative of the attempts to exploit all channels to promote corporate and foreign interests and ideologies.

the result of the Court’s decisions. For example, the Court sided with business interests in the 2005 takeover of homes in New London, Connecticut.²²² Americans will not forget that the Court also declared that “corporations are people,” especially when it comes to contributions to political campaigns.

There is no way to quarrel with the Framers who conceived a Constitution that gave more say in the Union to lawyers (many of the Framers were lawyers) than to anyone else. In the tradition of the British legal system (including the robe and wig), they established a judiciary in extension of the oligarchy. In many states, the same court officers maintained their position after the Revolution. The Constitution even adopted the formula “during good behavior,” which replaced “at the King’s pleasure,” in order to signal a status of political independence. However, the procedure for nomination to the Supreme Court—the president appoints Justices and the Senate must confirm them—does open the door to politicizing the process. A politically independent court sounds like an oxymoron. No checks are applied to the judiciary. They are beyond the bounds of the democratic process.

The role of the Supreme Court, as initially defined, is far different from the one it plays today. As cumbersome as it was, the Supreme Court was not only the “high” appellate instance, but also a place of trial. The initially weak Supreme Court acquired power that extends well beyond the initial intentions (and modest lodging). It now legislates from a pompous palace, under the guise of giving its stamp of approval to government decisions. The Court is no longer the arbiter of the Constitution, but the fierce partisan of economic interests, usually put before the interests of the country and its people. It was the Supreme Court that made elections in America an economic event (cf. *Citizens United vs. Federal Election Commission*); plutocracy can spend all it wants in order to get the government it desires (the infamous “Corporations are people”).

Current appointment procedures are highly politicized. The president nominates a judge under the influence of political correctness, more than on the basis of highest qualification. This statement is not made in order to disparage women, Blacks, or Hispanics who now serve on the Supreme Court. Robert Bork was a highly qualified appointee, but the Senate Justice Committee members interrogated him as though he were a criminal only because he

222 *Kelo v. New London, Lawsuit Challenging Eminent Domain Abuse in New London, Connecticut*. See: <http://www.ij.org/kelo-v-new-london>

would not carry out the agenda of the political party in power at that time. Clarence Thomas was also grilled, subjected to more political scrutiny than competent evaluation of his legal acumen. The Senate judicial nomination hearings of both Sotomayor and Kagan were marked more by ideological questions than by evaluation of competence. The hearings end up being highly choreographed political performances. Accountability, instead of proven party allegiance and unjustified protection from the people's dissatisfaction, is an urgent requirement.

Tenure on the Supreme Court was meant to assure the independence of the justices. An understanding of justice anchored in the present, not in English Common Law (which the Framers referred to) requires limited terms of office. Pronouncements regarding the influence of science and technology require a good combination of younger and more mature individuals willing to adapt to a time of fast change. Almost no one on the Supreme Court seems to understand that the permanence of yesteryear was effectively supplanted by transitoriness. No one asks the justices to accept abuse and destructive activities. But the legal metrics have changed. The new political activism is different from that which the Founders practiced.

The Court that remains as it was established in the 18th century has difficulty realizing that the Constitution is a document drawn up by individuals with particular goals in mind. "Original intent" is a far-fetched justification for their interpretations and rulings. On the basis of "original intent" and "contextual interpretation," the Second Amendment would be automatically repealed (that is, now that there is a national military, there is no need for militias to protect the nation, which is the basis for the right to keep and bear arms). There is no way that a person raised in the 20th century can rule on the basis of "original intent" and "contextual interpretation" because there is no way that a person, not even one as educated as a Supreme Court Justice, can relate to the circumstances of the 18th century. Of course, a Constitutional Convention will have to deal with opportunities and new methods for delivering justice corresponding to the present.

A Constitutional Convention, where lawyers, among other professionals, will be present, will have to apply the exigencies of the democratic foundation to judges, courts, and counselors. It goes almost without saying that neither the Supreme Court nor any branch of government will passively accept

the need for a new Constitution. They will fight it tooth and nail based on arguments rooted in history—to which they themselves belong. Regardless, reconsideration of basic principles—liberty, property, justice—and their clear encoding in the Constitution could bring coherence to a society pulled apart by so many reciprocally irreconcilable interests.

Whose America?

A new Constitution has to address the issues of parties directly. Nothing speaks against individuals freely organizing themselves according to a variety of possible criteria (blue, red, whatever color or animal they like or identify with). Political values, professional interests, moral affinities, or whatever reason they consider might further define parties and party allegiance. As long as the goals and methods of parties do not contradict the principles upon which the USA came into existence or the principles upon which it decides to live, they are as legitimate as any interest group.

A new Constitution would have to be specific in defining the functions of parties, instead of avoiding the subject. American political parties are economic actors. Therefore, they should be subject to the principles guiding economic entities. They are, as history proved, in for profit, but they enjoy more than not-for-profit status. Due to the tax-exempt status of parties, Americans pay for them, regardless of whether they join them or not. If the goal of parties were to eventually become political, they would have to align with the political principles of the Union: no privileges, and instead political obligations of transparency and accountability. Despite appearances, America is much more than any party, and all parties together. In the final analysis, parties are minority groups claiming rights for which there is no foundation, neither in nature nor in religion. They are by no means entitled to the privileges they've acquired over time.

Probably the most effective way to define the relationship between the people and parties would be to pursue a separation of party and state, similar to that between church and state. No party indoctrination in schools should be permitted; no party control over voting districts, over who gets employed in the government, and over people's lives. Of course, the sovereign citizen can decide to belong to a party or not, just as religious affiliation or practice is a matter of choice. Party line should never be imposed upon others, just as religion is not imposed.

Defining Government

The Convention for a new Constitution might or might not seek guidance in the original text. Nothing should prevent the Convention from defining its goals and methods. But the people should be able to bring their input. For instance, there is nothing in the Constitution that ascertains principles for political activism, or for any other form of activism. In view of a long and not necessarily encouraging experience with a duopoly—two parties controlling the race for power—a Constitutional Convention should not become another party matter. The Convention should use the opportunity to spell out clear principles for party activism, provided that parties will be deemed meaningful in a democracy.

The avoidance of concentrated power (which goes back to Locke's thinking and to Madison's position) conflicts with the natural tendency to acquire more of it. So far, the central (federal) government is ahead of the game. The wisely inspired Constitution affirmed the separation of powers, but not necessarily in an effective, coherent manner. The three branches of government—legislature, executive, and judiciary—turn out to be four. The Senate, supposed to represent the interests of states, has effective veto power. It would make sense to redefine the power structure, at least in order to make it a functioning body, not an example of how each chamber blocks the other while the country suffers the consequences.

For all this to have meaning, the relation between states and central government will have to be defined in the perspective of present time. For instance, both national mobility and globality will have to be accounted for. In the broader economic context, in which centralism gives way to decentralized structures, the USA would be better off by adapting its original dynamics to the order of the times: a *meaningful* distribution of powers, taking full advantage of what has become the modern practice of "Think global, act local."

Defining rights uniformly is no more important than agreeing on responsibilities. More rights (related to privacy, individual integrity, taxes, a right to medical care, for example) for some and more restrictions for others will not contribute to political identity. A Constitution for the 21st century will transcend the modest "equal treatment for the free inhabitants." The original meaning was that people were allowed to move freely from one state to another. The Articles of Confederation excluded "paupers, vagabonds, and fugitives from

Justice,” an untenable position in our time. That each American has sovereign attributes expressed in rights *and* responsibilities was not clearly spelled out. For Americans to finally embody the true condition of “citizen” (i.e., not just a description on paper), it would be necessary to arrive at a common status, regardless of the state where one happens to live. A good model for what the relation between central functions and distributed functions, expressed as local autonomy, is that of the functioning of the human being. The Constitution could define a modern holistic vision for the USA. Indeed, the USA is probably more than the simplistic sum of its parts (states).

It is probably useful to think about a Constitutional Convention taking place parallel to state conventions. There is, after all, an interdependency in the way the whole functions. To define the nature of the relations among relatively autonomous entities (i.e., the states) dedicated to the well-being of the whole is unavoidable. Citizenry, understood within the broader perspective of participation in the political life of communities (real and virtual), deserves a central role in the elaborations. Of course, if this will indeed be a Convention of the people, consideration should be given to the fact that Americans, like all other inhabitants of the planet, are also citizens of the world. Much, much more so than when the Constitution was drawn up.

In a free society, “Don’t deal in bribes,” “Don’t be corrupt,” “Don’t lie to your constituency,” and “Don’t get addicted to power” are empty words. The world of Bible-inspired morality is gone. But the Constitution could create a framework for holding to strict account those public officials who deal in bribery, corruption, and lying. In other words: Rules for functioning in a political institution can be mandated. Denying tax deductions for political contributions and for lobbying activities would certainly curtail them. When the return on investment does not justify it, activity diminishes. Moreover, the Constitution could promote openness: influence peddling in the open, under the scrutiny of the electorate, might benefit society by providing information otherwise difficult to access. If Americans want to accept the inevitability of influence peddling, it should take place in full public view.

Functions of Government

State and federal governments fulfill different functions. A shared understanding of the new reality of an interconnected world, and of mobility in every sense of the word, could easily result in better understanding distribution of powers. Therefore, in full awareness of state sovereignty—

itself to be defined in accordance with the times—the citizen should be spared the consequences of the inconsistency of laws. State constitutions might adopt the principle that, once qualified through rigorously accredited educational institutions (including those located abroad), the physician, the lawyer, and the civil engineer should be able to practice in any state. Mobility is not about bodies (as it was at the time of the Articles of Confederation), but about work. A USA-wide driver’s license or pilot’s license, construction license or plumbing license should be acceptable, provided that training, testing, and relicensing are performed at a level of quality (including ecological awareness) that all states agree to maintain. This will reflect a contemporary understanding of mobility and globality. Healthcare, education, a coherent ecological purpose and sustainability concerns are also, by their nature, and by our better understanding of the world as integrated, political goals of the USA in tight coordination with states. States could continue to compete with each other; however, if they care for the chance of being part of a Union, they should do what is needed to maintain it.

What Would It Take For Americans to Care? A Bill of Responsibilities

The Bill of Rights, those amendments tacked on to the original Constitution, are now as misunderstood as they are glorified by most Americans. They are the source of ongoing confrontations among interest groups. (The National Rifle Association is the first that jumps to mind.) Freedom of speech and of the press is included in the Bill of Rights, endowing both with the nature of “fundamental.” The Bill of Rights, as interpreted by Americans of the 21st century, reveals the pragmatic circumstances of the 18th century. Americans of that time, marked by a particular morality and religious persuasion, realized that those rights entailed responsibilities. In our time, responsibility has vanished from the American mindset, if not its vocabulary.

In the course of US history, The Supreme Court expanded it to “freedom of expression.” It has too often been extended to many things it is not, such as the right to lobby (i.e., to buy influence). Free speech can be exercised in a variety of ways. In the new world of media, a Constitutional Convention would have to appropriately define the shared meaning of free speech, but also rational limitations in view of its consequences (which are sometimes difficult to foresee). It is not sufficient to maintain, as common sense does, that you don’t yell “Fire!” in a crowded movie theater. Some months after the murder of

schoolchildren by a sick young man with an AK rifle, a man in Virginia decided to exercise his right to free expression and to bear arms by brandishing a gun in a supermarket. What he did was as constitutional as the Supreme Court would allow. The police arrested him; he was a public danger, Constitution or not. To threaten or to kill someone is neither free speech nor free expression. And if you cannot threaten the president, why should anyone else be subject to threats?

More important than details are principles. The Constitution might not be the place to encode principles of fairness or to address the special status of the mightiest military on Earth, or to discuss the circumstances under which the Constitution itself should be reconsidered, together with the modalities for keeping it current in spirit and method. Without turning it into a fleeting declaration of generalities, the Constitution will have to focus on fundamental aspects of civic life. And if crises, immanent in capitalism, taught Americans anything, the Constitution will have to define the fundamental principles based on which freedom, fairness, justice, opportunity are not privileges, but shared goals. Indeed, no government shall have the free choice of spending without any consideration for the future. The Convention will have to provide a clear understanding of accountability. The republic cannot afford to suspend accountability for those in power or the USA's accountability for developments affecting other countries, indeed, the world.

The USA will have to define immigration in the context of a global economy. How much immigration, and what kind (skilled persons or poor people seeking a better life), is acceptable without prejudice to those who already call America “home.” In other words, newcomers trigger a variety of feelings: fear of losing a job to someone who will accept a lower wage, anger over having to extend benefits to poor aliens.

The pathway to full-fledged citizenship will have to be encoded in law. Immigrants must realize that they have come to the USA to be Americans, not to transplant the abhorrent cultural practices of their old country in new soil, and then demand protection for them. If you want to continue to live by rules and values that America rejects (e.g., polygamy, religious justification for violence against others, inferiority of women, cruel and unusual punishment), do not seek the USA as your destination only because it is economically attractive. That America accommodates even people who hate her is not a proof of tolerance, but of stupidity. Social cohesion is difficult to attain when wave after wave of immigrants, expected to perform at minimum wage

(or less), are not able to integrate. Not businesses obsessed with cheap labor, but the America of opportunity and freedom should decide who will eventually qualify as potential Americans dedicated to her well-being.

Its's Our Call

A rather reputable American journalist returning home after three years in China, asked experts around the USA “whether America is finally going to hell.”²²³ His analysis is rather reassuring: “America the society is in fine shape,” he writes, adding immediately, “America the polity most certainly not.” Among the possible solutions: “We can hope for an enlightened military coup. [...] We could hope to change the basic nature of our democracy. [...] Another Sputnik moment. [...] A viable third party.” Or “call for a new Constitutional Convention, to reconsider all the rules.” The author adds, “That would by my cue to move back to China for good—pollution, Great Firewall, and all.”

Of course, a Second American Revolution embodied in a Constitutional Convention is an almost intractable proposition. But so is anything else that could, on paper, remake America. If a new infrastructure, corresponding to the standards of today's world, were all it would take to get the USA out of the mess it is in, China could do it. Communist China, with a market economy less constrained than that of the USA, invests in America. But China cannot address the most critical aspect: overcoming a condition of stupidity that renders Americans as anything other than responsible for their destinies, and for that of their society.

The Articles of Confederation and the Constitution provided the premise for activities that made America-the-Economy the most successful prosperity machine known in humankind's history. But they neither made nor called for the making of Americans. In the absence of citizens and of nation-state status, democracy is an illusion at best. The appeal of socialism, as an alternative, was irreversibly undermined by communism (Stalin's tyranny and the failure of collectivism). Individualism, America's religion, was conducive to Americans acting in a manner occasionally detrimental to themselves and to the USA. This is what drug-addicted poor Blacks living in welfare housing and derivatives traders have in common. This is what armed gangs, ever-willing to use their guns, even against kin, have in common with the political class and the judiciary. They are willing to do whatever it takes to remain in power.

223 Fallows, James. “How America Can Rise Again.” *The Atlantic*, January-February 2010.

This book made a detailed case of the process through which stupidity is triggered and stimulated by post-industrial capitalism. Companies cultivate stupidity because it buys them the right to do what they want. The book also decried the dissolution of the political dimension of social life in America, replaced by fixation on economic success and social autism. The process resulted in a situation that cannot be reversed. It can only be overthrown. Therefore, a Constitutional Convention can take place only on the premise of acknowledging a current state that is irreversible. There will be many, reformists or conservatives, who will challenge this premise.

For such a convention to have even a marginal chance of success, a major grassroots effort of stimulating awareness of the current Constitution would have to be carried out. The new Constitution can only be the work of all Americans. The Convention, to take all the time it takes in order to achieve its goals, will itself be a learning experience for Americans. Those in power will not necessarily support an assembly that might do away with their privileges. Americans will have to defend their right to decide upon their future, even if this means to fire those currently in charge.

Would Americans, regardless of their current status and condition, be willing to put in the required effort? Mayor Cory Booker of Newark, New Jersey, reported on an initiative intended to address the painful reality of the high incidence of Black men abandoning the offspring they fathered. Through mentoring, one-on-one, by fathers who take care of their children with fathers who abandon theirs, the number of recidivists was reduced from sixty percent to seven percent. Many Americans abandoned their concern for and responsibility towards America, more so than the Black fathers in New Jersey abandoned their children. Americans need the equivalent of a mentoring program: for the rich who don't care, for those in jail, for all kinds of obsessive egotists, for the poor who gave up, for young and old. Booker writes about the reentry initiative: no preaching, rather partnering. Hundreds of thousands of Americans generously donate time and effort in parts of the country devastated by natural disasters, in Africa and Asia, in building schools and hospitals, in creating opportunities. They could qualify as mentors to those who ceased to care about their own homeland, and about others in need. The reentry initiative might extend to politicians. Being reeducated for an America that is more than their business opportunity might help them regain civic responsibility. This is not the Chinese Cultural Revolution in disguise, as some might suspect. Rather, it is a rededication to freedom, opportunity, and responsibility.



The Jefferson Penny: "Liberty Parent of Science and Industry"

For this, and more changes along this line, to come about, Americans would have to understand that the blueprint of their house of liberties and opportunities is actually in their hands. In order to drive a car on public thoroughfares, society requires by law that a future driver receive the appropriate training for the task, learn the rules of the road, and pass a test. Would it be too much to request Constitutional competency from each American? Civics classes cannot compete with computer games, texting, and sexting. But they can, if made into interactive opportunities, pertinent to real concerns, build a common ground. Not a Constitution for the iPhone, but one that reclaims the innovative potential of those who made the technology for the iPhone possible. For new immigrants—one million a year is a large number—certified instruction and passing a civics test are a minimum. One or two years of civil service, in lieu of military service, is also worthy of consideration. In a one-on-one effort, many of the consequences of past inequities can be overcome. This will not turn enemies into friends, but will signal to them that America is serious about her civic identity, and will respect the civic liberty of its people.

This will not turn back the clock to family as we wish it to be, or to neighborly solidarity. It will not do away with guns or drugs. But it could wake all of us up to responsibilities pertinent to our own well-being.

Only on the basis of such shared knowledge can America hope that a new Constitutional Convention could succeed. It will take time. All the channels available today (which will continue to diversify) can and should be deployed for this purpose. The debate should be open to everyone. The conflict between the powers in place and the forces of change should be made as public as possible.

There is nothing holy, God-given, or “divinely inspired” about the Constitution, as Americans are often led to believe. It is a manmade document (literally), formulated and approved by a self-appointed landed gentry and their acolytes. No one will smite Americans for replacing it. We do know, however, that at this time, of desperate need for remaking the USA, that responsibility, vision, and talent are expected and necessary. If anything, the test will not be whether God, Providence, or some other higher authority is on America’s side, but rather if Americans have the will to remake themselves as responsible wards of their home.

Nothing is more exciting than a new beginning. Nothing is more difficult. America still rejoices in the emotions of her historic first days. Today, they are an expression of hope in a context of tough trials. As President Reagan said (on the occasion of the 200th anniversary of the Constitution): “The moral underpinnings of our country must be able to bear the weight of today if we’re to pass on to the next generation an America worth having.”²²⁴ An America worth having cries out to be the home of empowered citizens.

224 Reagan, Ronald, President, A Future That Works. REAGAN2020 US. 20 February 1987. Web. http://reagan2020.us/speeches/A_Future_That_Works.asp

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Taking the rewards of change for granted, Americans—like the Soviets at their time—do not understand what change entails. Gazing into the rear-view mirror (of religion, history, politics, economy) in the hope of seeing where change might take them, they get the illusion that they are in the driver's seat. In fact, they relinquish control to the political class, which does the actual steering, per instructions of the “rich and famous.” In the most individualistic society on Earth, the individual gave up power. In a society emphasizing information and knowledge, machines get smarter and individuals grow stupid. The stupidity of assuming skewed values and of living beyond means scales up as a characteristic of the USA. Together with entitlement, corruption, and opportunistic engineering of reality, stupidity is the outcome of a system faking change because it is afraid of it.

“IN AMERICA YOU HAVE A RIGHT TO BE STUPID —
IF YOU WANT TO BE, AND YOU HAVE A RIGHT TO BE
DISCONNECTED TO SOMEBODY ELSE IF YOU WANT TO BE.”
JOHN KERRY, US SECRETARY OF STATE, FEBRUARY 26, 2013
UNSOLICITED QUOTE



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