

Is It GOD-oh or Is It go-DOH?

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It says a lot that this minor literary conundrum is still batted around even though the author himself, Samuel Beckett, said it was **GOD-oh**. We live in a world today where even if the truth hits you in the face you can still make a career arguing that it was a miss. Thus we have economic theoreticians pushing a variety of cures while late stage capitalism is telling them that its illness is chronic and permanent.

The depression of the 30's brought the Keynesian model to the fore -- the state had to intervene with deficit spending stimulus and low interest rates. When positive intervention began to lose its effectiveness there was a move toward a negative version -- deregulation, tax cuts and the like. When that caused short booms and busts leading to the recent big one, it was back to a massive federal intervention which now became a mix of both failed models -- a sort of Keynesian monetarism. Then there are schemes yet to be tried. The libertarians reject both models or the hybrid; all a market economy requires is the freedom to adjust itself back into a state of equilibrium (which would mean no growth from the standpoint of physics -- maybe they are closet believers in "small is beautiful"). And from various strains of conservatism we have those who blame it all on our living beyond our means; a balanced budget will get everything back on track (also "small is beautiful" whether one wants it or not). Then, at the bottom, are the racist crackpots that call Obama a socialist (substituting that term for the 'N' word that they really mean to say). This "socialist" bailed out GM and then set them free when they became viable at a loss of \$10 billion to the American taxpayer. Wouldn't a socialist, or even a liberal or conservative, require repayment of the remainder? This "socialist" also bailed out Chrysler with \$10.5 billion of taxpayer money and then gave 20% of the company to Fiat for free (management services only). Then when it became profitable let them buy the rest for \$3.7 billion (to US, Canada and UAW). A big loss for government and union and a giant freebie for a foreign company (Daimler paid \$36 billion in 1998) which then headquartered Fiat Chrysler in the Netherlands so it doesn't have to pay taxes in either the US or Italy. What all of these frauds, fools or worse fail to take into account is that there is a large worldwide community of people who are trying to survive under a system that can no longer provide them with a stable means of existence and who no doubt have a limit to their acceptance.

The truth is that capitalism is working perfectly for the 1/10th of 1% it was intended to serve. Stockman believes that government intervention brought on the post World War 2 decline when Nixon and Friedman got us off the gold standard and "ruined the heart of capitalism". There is something quaint about such an old guy still believing in the equivalent of the tooth fairy. He's distressed about "crony capitalism" and all the money in thinks is wasted on our 134 current military incursions. Maybe even bothered a bit by the gigantic human cost. But capitalism does not have a heart, it also does not have the human capacity to judge when enough is enough. The economy of the United States is now the world which it governs through the Nato Axis along with bits and pieces of the United Nations.

Since capital must have places to invest, and that means the investment of the world, the linchpin of the American economy is now the Pentagon, not the Federal Reserve.

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