

The End is Near – 2018 is Here

12-29-17

Expectations for a New Year in our present state of malaise tend to be more of an irritating annoyance than a valued piece of information. On the one hand we will have the commanding voice of our rulers with their nauseating optimism regardless of real conditions, on the other will be the growing chorus of crackpots (except those with large sums sunk in hedge funds) sounding the alarm that catastrophe approaches. In the middle the mass of humanity experiences the sickening feeling that their only real hope is that things won't get much worse.

In the US Trump will soon finish his first year in office and the sky has not fallen because – Where can it go? In terms of quality of life everyone of ordinary means has learned to make do with whatever is at hand, while the rich will need to add more hands to deal their tax gift and asset wealth. The great beneficiary of the change in tax laws are corporations with the maximum rate cut from 35 to 21 percent. That will mean more mergers and acquisitions, higher dividends, and a higher volume of stock buybacks. Much is made of the ostensible conservative nature of the cut, but the UK rate is 19%, Sweden 22% and our neighbor to the North 26.5%. What deserves more attention is the shameless nature of the claim that it will return more in revenue than the \$1.456 trillion cost. According to the bipartisan Congressional Joint Committee on Taxation, after including the returns over a 10 year period, the net loss will be almost \$1.1 trillion (includes \$66 billion more interest on the national debt). The bipartisan effort to stifle real income of the working class (recall that the Democrats also enact and enforce anti-union laws), retired and the poor may increase dislike of the duopoly. Perhaps, but the usual trend is for those that voted for the out party to forget how rotten it was when in power.

Should this country initiate another criminal military adventure (the most likely candidate being North Korea) that might cause a significant national disturbance. None of this nation's postwar incursions have worked out as smoothly as planned (even the invasion of Grenada with its 500 man army took 6 days with 18 American deaths). When wars bog down the truth tends to rise to the surface. Then Americans will learn that their country refused to allow Koreans to form a system of their choice. The war killed millions before a stalemate and an arbitrarily drawn border by the invader. The invader then refused to recognize the right to exist of the nation that formed north of that border. The mainstream media expresses war-mongering concern without even proposing an obvious possible solution – that the criminal invader attempt to settle the crisis by acknowledging North Korea's right to exist.

But out of the crass greed of the few at home and the nation wrecking abroad there is a positive note – More Americans are willing to actually say that they don't like capitalism. Amazing.

The nation that deserves the most world attention in the coming year is China. It has completed its transition to a capitalist nation in substance but has a great deal of fine tuning to get its economy settled into a norm after the hot start of its founding. It's rulers have declared a market economy but their mental state has not yet cleared itself of *the plan*. Planning under a bureaucratic dictatorship is a mess, but at least it's a concrete mess. Now that China has integrated its economy with world capitalism its economy is as much in the hands of others as it is in those that think they have it under their command. China may have the second largest economy but the rest of the capitalist world has become so dependent on providing the means for that rapid development that it has more influence on the world economy than any other nation.

Italy may be the next cause for crisis in Europe. New elections will be held soon. None of the three major parties are likely to get a majority. Unlike other nations that have managed to simulate a recovery, Italy has continued its slow fade. Let's hope that if disaster comes it will at least be up to Italian stylish standards.

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