

## Are Things Really as Bad as They Seem?

7-21-2023

Losing the Vietnam war can be seen as the single track downward politically and economically for the US. It was followed by a financial crisis in the early 80's. Then we pretty much matched the Great Depression 2007-2010. The economy was in recession the 4th quarter of 2019, but thanks to Covid the next two years of a bad economy were blamed on the pandemic. And the markets have been booming thanks to stock buybacks which were illegal until 1982 when something different was needed to get out of that financial crisis. This is modern American business: a company borrows money, buys back its own stock which by reducing its volume increases its value. Even those with IRA's and 401k's, now with assets totaling almost \$23 trillion, sense something is wrong – is any of this loot from someone's honest work, or is it a gift shared by the elite to buy off the middle class. The real economy is the one that provides goods and services that everyone needs to live a decent life. The phony financial economy is one of make believe which according to economist Dean Baker is rigged (see [Rigged](#), it's free). Then last week the icon of American liberalism the NYT said it was all real – things are bad time to cut back on Medicare and Social Security.

Masses of people dying in various unseemly ways – drowning as they try to find a piece of the earth that supports life. Far from home. Far from any place that wants them. The world is a sick place. Signs of sympathy are acts of weakness. Its manifest barbarism will doom civilization.

-----

“Notes from the Editors” in the January 1995 issue of *Monthly Review*:

*Toward the end of his life, Engels wrote: “It is a peculiarity of the bourgeoisie, distinguishing it from all other ruling classes, that there is a turning point in its development after which every increase in its means of power, that is in the first place every increase in its capital, only tends to make it more and more incapable of ruling politically.”*

What Engels is saying here is that under conditions of brains and brawn the ruling class is blind to the needs of productive class. But as time passed the latter was equal in brains and potentially more power, and when they organized and made their demands they could put enough fright into to minds and hearts

of the bosses to get some of the wealth they produced returned in various forms. They also had demonstrative help from the neo-Marxist states up to 1991 -- don't be overly greedy, or else there might be a revolution!

What should be made clear in the above is that capitalism operates outside the norms of civilization. Its manifest barbarism will bring down human civilization.

### Nasdaq

Nasdaq rose from year to date to the close of July 3<sup>rd</sup> up 32% while the Dow Jones Industrial Average gained only 3.8% over the same period. What could it be but the latest fad – Artificial Intelligence. Those in the industry are urging restraint given that current AI is full of flaws.

### Breaking One's Back for Zi

