

## **the unlikely marriage between ideological democracy and brutal<sup>1</sup> capitalism**

We think of words like capitalism, free market, as a system of economics. We seem to have accepted whole-heartedly that it is the obvious way to be: you have to fight your way up, we take it for granted that life is competition. You can never give up fighting. It has almost become a religious idea, not only fighting for wealth, or even just paying the bills with two, three, four jobs, but fighting to "win," fighting wars that cannot be won, because we cannot, are not allowed to fail. To fail is un-American, shameful. Americans think of homeless people as not being able to make it in this world. We think of poor people as not quite worthy of being part of our society. People who have been convicted in a court of law have become less in our eyes. Money, succeeding, winning have become our way of valuing life.

The capitalist economic system is the world we live in. I did not teach my sons borrowing, but they learned that it was easy to get credit cards, 0% interest for the first six months. Just before the end of the six months, you move your debt to another card that offers the same 0% interest for a year. I have known people who built a fancy house that way, putting in much of their own labor, but after a year you get a mortgage and bingo, you own a house. And then the struggle begins. Now you have to pay a mortgage, and you were talked into getting a very "easy" mortgage, each month you have a choice: regular, interest only, minimum, and what is called "saving" — a less than minimum payment that means that in addition to the unpaid interest an amount is added to your mortgage. So you start out with, say, a \$100,000 mortgage (and all costs of course are also put in there). After four years you owe \$147,000 on the same, now four year old house. In our capitalist system you have paid interest on unpaid interest on an additional loan. That adds up fast. And credit cards that used to penalize a late payment with 14% interest, gradually were allowed to charge 21%, nowadays I think 37%. We used to call that usury.

Do we realize that living in this system has changed the way we plan our life, has changed how we live, how we spend? I'm old enough to want to "save for a rainy day;" my children think I am hopelessly old-fashioned. All the latest gadgets have become necessities. We can no longer imagine living without a washer and a dryer. Less than thirty years ago very few people had air conditioning in Hawai'i, because we could count on trade winds that kept the temperature always around 80°. In cities like Honolulu, now a forest of tall buildings and few trees, lots of concrete, 90° is common, and so is air conditioning. New houses are built with sealed, double pane windows, and all-house air conditioning 24/7 as the phrase is today.

In our thinking we have blended pride in our "democracy" with the idea of "free market" as one and the same thing. Democracy we think can only work, or work best, if we compete, if we let corporations get bigger and bigger, buying each other to get greater market shares, banks getting so big that we cannot allow

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<sup>1</sup> There are other kinds of capitalism, In communist China there is state capitalism. in many European countries what could be called socialized capitalism. In India a mixture of many tribal, religious, socialist, even communist systems under a broad umbrella called democracy.

them to fail because then all hell would break loose. We sort of accept that, of course, elections have to be bought. After all, how can a candidate win unless s/he advertises and has advisers to advise her/him what to say to whom — and all that costs millions, billions nowadays. We accept, take for granted — preferably don't think about — that when we allow, approve of, politicians accepting money from lobbies they will be expected to do some favors in return. When we allow our Members of Congress to accept information (obviously and intentionally biased) and money to keep enough Congress and Senate members from voting for a more efficient "Health Care Reform Bill," we must also accept that such a Bill can never pass.

In our present predicament *not* reforming health CARE will bankrupt the country in a few years.

If you want to learn about health care systems worldwide I highly recommend this documentary:

<http://www.linktv.org/programs/special-can-we-really-fix-us-health-care?hm>

T.R. Reid, traveled around the world studying all the very different kinds of health care systems that provide universal coverage. First remember that the U.S. pays twice as much for health care per person as any other country, however a growing number of Americans are not covered or seriously under-insured. All even reasonably industrialized, economically sound countries in Europe, Asia, South America, Australia, New Zealand, have universal health care coverage. Only a very few have a one-payer system, like the British plan. Most countries have a system where all payments are made by up to hundreds of insurance companies, with the difference that they must be non-profit, and the country makes the rules. *Very* few countries have a "socialist" system. The big difference between us and everybody else is not socialism, but our attitude to the idea that everyone has the same right to have health care. It is not an economic or even political difference, it is a moral difference. Every other country in the world that has universal health care assumes that all people have the same right to be as healthy as modern medical care can keep them, and that that is the responsibility of government, as is providing roads, water, police and fire protection, safe food, safe airports...

*The morality of everyone being equally worthy of being healthy has never come up in any debate this past summer!*

Do Americans really believe that all people do **not** have the same right to health care? Hard to believe, isn't it?

I think that Americans now accept that Global Warming, Climate Change, is a reality and that we better do something about it, and soon. The President and lots of scientists, and even politicians, have spun tales of a wonderful new green economy with millions of new jobs doing green things that will help prevent the worst effects of Climate Change. But we pretend to ignore that established corporations who make poisonous chemicals, or gas-guzzling automobiles, or practice incredibly destructive agriculture, will spend, are spending, billions lobbying to prevent their profits to be cut by all that greening.

The melding of what we think of as our wonderful political system with what we also think of as a sort of inevitable economic system has boxed us in.

The two do not mix. Capitalism is not only an economic model, it requires us, human beings, to change ourselves to fit into a capitalist world. The original idea of democracy, as thought by (some, probably the majority) of our Founding Fathers required responsible and informed citizens for a democracy to function. A government by the people for the people necessitated that “the people” should not only have good sense but a kind of moral sense, desiring to live in harmonious communities. A government run by responsible (not corruptible) reasonably intelligent adults who take seriously that they represent not just their own judgment but also frequently check with the people they represent to assure that they represent the wishes of their community.

Capitalism, as an economic theory, says that in “the marketplace,” where business takes place, owners and risk takers get the (most) profits. The whole system is based on trading and making a profit. The more profit, the better. That system does not require reasonably intelligent citizens, and representatives who hold the well-being of those they represent in mind. In fact, as now seems all too obvious, capitalism works best (most profitably) when “the people” — consumers, and even producers — are *not* too savvy about what they are buying.

Originally producers produced products that we needed. The industrial revolution made possible mass production, at ever lower prices. A few producers could produce all the toilet paper a million people could possibly use. It became too easy to produce too much for not enough profit. So, producers had to think of *improved* toilet paper, softer, whiter, better, whatever. In order to tell people about their improved product, they had to advertise. At first, I am sure, toilet paper that advertised itself “softer” was indeed softer, and so, of course, also a bit more expensive. Inevitably, however, it became a game: ever more clever ways to get people to buy what could be things, but could just as well be entertainment, music, books, television programs. Or political parties. Or political ideas. Everything must be sold, and so, everybody on the line from making to buying had to get her or his bit of profit.

Somehow, in the United States, over the years we were sold on the idea that health care, for instance, was something so complicated, with doctors, nurses and hospitals, machines, therapists of a dozen different specialties, and more and more miracle chemicals — all of whom had to be paid, of course, it would be so complicated that it needed a corporation to run the details of all that for a small fee. To make it easier, we were told, we could buy insurance, so that in the event that we broke an arm, or got really sick, the insurance company would pay for all the different services we would need. The insurance companies, of course, also had to make a profit doing that. Today, many health insurance companies have figured out that one way of making money — and lots of it — is to accept monthly payments until the insured gets really sick, then cancel the insurance, refuse payment. More than half of the bankruptcies in the United States are from people who had health insurance, may have paid for years, but when an ever more expensive medical procedure is needed, suddenly find themselves in debt to doctors, hospitals, drug companies, etc. The insurance company finds a small print clause we never noticed that states that such and so procedure is not covered. We accept that all transactions need to be paid; everyone along the line must be paid. As good citizens of a capitalist economic system we accept that. Our previous president made clear that if we wanted to help our country, we should buy.

The free market is always explained to us as self-adjusting. Competition makes us benefit from the best possible price, we are told. In the profit-making mode, however, companies discovered that competition dampens their ability to make profits, so they came up with the wonderful idea of absorbing their competitors. I do not remember how many automobile manufacturers there were at one time, but we ended up with only three, and all three owned foreign makes as well. We had many telephone companies not many years ago, now we have two, three? There used to be hundreds of health insurance companies, now there are few. How many chemical companies do we have left that make pesticides and other dangerous substances, Monsanto, and...? There are only a few companies with double and triple hyphenated names that make medical miracle drugs. We now have banks that are so big that they cannot be allowed to fail because that would collapse the economic system of the world.

But the economic system of the world did almost fail anyway. Our economy faltered, let's say. More than 10% of breadwinners in the United States cannot find jobs to be breadwinner any more. Something like one fourth of all home owners have lost, or are in danger of losing their house.

We have fallen into a trap. The economic system that exists for the purpose of making a profit for the few (owners, investors, "the rich") needs buyers and borrowers, but they cannot make money when we the people have no jobs. And one reason there are not enough jobs is that the corporations "outsourced" manufacturing jobs because Chinese, Malaysian or Indian workers can do well with much lower wages than an American worker who must make at least, say, \$20 or more an hour to pay the bills. Many, perhaps most, American cars were not really made in America, they were assembled here; parts were made all over the world. Computers are made in Malaysia and China. In many countries the increase in wages from a dollar a day to a dollar an hour increased not only their standard of living, and so a growing middle class, but also the education of people.

At the same time, we neglected most of the maintenance of our very complex, but aging, infrastructure — things like sewers, roads, bridges, electric nets, water — because there is little profit in that kind of work. And we have neglected education, now force an education system to produce young people who can pass tests. For a reason I have never understood Americans' distrust of intelligence. Kids learn early that bullies are better than original thinkers. We must learn early that force trumps everything?

I probably present the dilemma too simply, but sometimes complex machinations much be simplified a little. When I think about the world as it was twenty or thirty years ago it is all too clear that we made a lot of wrong choices. Representatives no longer seem to represent our need for a bridge to be made safer, sewers to be repaired. They were talked into voting for a factory here, a marsh drained there — by "contributions to re-election campaign" royally distributed by what is called "special interests." Washington DC houses more Lobbies than there are people working in and for Congress, both Houses. Countries have lobbies, corporations have lobbies, organizations have lobbies. And all of them talk and try to convince a representative, or someone working for a representative, of the need for this or that particular project, a contract for an airline, import duties on shoes, a special deal for fruit from Timbuctu. And, of

course, a generous contribution to your re-election campaign next year, or even the year after.

Getting elected in the United States today has less to do with how representative one is of a community or State, but more with how much money you can get to do all the things you need to do to get elected. Advertising, of course, and that is expensive. Not only because the advertising itself is expensive, but even more because it needs experts to design an advertising campaign that is aimed at certain groups of people, all more and more specialized. Then you need to pay for advisers. For travel. For connections with important, influential people and corporations. A Congressman needs at least a few million to get elected. The present president needed a lot more. Much of that came from millions of small contributions from us, the people, but a lot of it also came from large corporations, banks, insurance companies, chemical and drug corporations. All these generous donors expect at least an ambassadorship, but probably also a Bill in Congress favorable to their unique financial interests (profits).

So, our economic system which we think of as "a free market," meaning a market place where we are all free to do whatever we want and can to make money, has us trapped. It turns out not to be free at all any more. We don't even run the market, corporations do.

Free trade is not compatible with a government by the people for the people. Since the time of president Reagan we were fooled, we fooled ourselves, that "wealth trickles down." Wealth seeks more wealth. We should know by now that wealth gets sucked *up*. What conservatives call "wealth distribution" means distributing wealth from the bottom to the very top. There are all kinds of statistics. Five percent of the American people own half of the wealth of this nation. One percent of all humans owns half the wealth of the planet.

But even the top cannot continue to suck wealth — which is really not money, but health, well-being, creativity, hard work — from the bottom.

We, in the United States, think that the alternative to capitalism is communism, or socialism (most Americans don't know what either of those isms means). As political systems they may be different, but all systems of government (control) tend to result in making a rather particular kind of human. Communism makes poor slaves; capitalism makes ignorant slaves. Communism as it was practiced in some countries destroys humans, capitalism as it has developed destroys the earth.

I am saddened by the changes I have felt in my world, a brutal capitalism that has twisted and distorted an idealistic democracy. I am told that in the last 60 years, in my life time, humans have changed the planet more than it changed in the previous 200,000 years. We have polluted — and mostly continue to pollute — the atmosphere, which after all we share with all Life, so much that we have made the planet revolt. The planet is talking back.

We, westerners, have come to think that we can control Nature by force. We are able to reroute rivers, build dams to make enormous lakes, we make islands, cut the top off mountains. We have forced plants and animals to do our will. You can beat and kick a dog just so long and then, suddenly, he's had it, he jumps up

and bites you in the face. Force and more force kills. Nature, the planetary ecology, cannot be controlled, certainly not by force. If anything, it controls us.

Humans evolved, as all the rich variety of life forms evolved, by fitting into Nature into the Whole — not by changing Nature to fit us. We have made ourselves less than human. When we in our arrogance thought we were better than all other life forms, and we imagined we could force Nature to do our will, we lost it.

Force can only kill.

Scientists who study and measure these things are finding that the planet has started a process of change that will not be easy to slow down, let alone reverse. The ice on both poles is melting faster every year. So fast, that probably next year, for the first time in human history, it will be possible to take a boat from Europe across the North Pole to Asia. The ice of the enormous glaciers on the Himalayas is melting, and that ice is the source of all the rivers of South and East Asia. Sea level of the world ocean rising by feet, probably meters. Fifteen of the largest cities of today's world are at current sea level, considerably more than half of the almost seven billion humans lives on or near the current sea shore.

We used to think that Climate Change is something for our grandchildren to worry about, toward the end of this century. Not so. It has begun, and the process of change looks to be accelerating. A monster tropical depression (not even a hurricane, or typhoon as it is called in the Southern Hemisphere) yesterday put Manila under water: in six hours 330,000 people "displaced."

By our greed and our thoughtless, ever fiercer exploitation of the earth we are dangerously close to make this planet unfit for human life.

The people at the top, the people who did very, very well indeed during the last 60 years are fighting tooth and claw to keep things going as they are.

Can we, the people, allow a few of us to exterminate all of us?  
It really comes down to that.

robert wolff, 28 september 2009<sup>p</sup>

NOTE: I got some of the figures, statistics, from a remarkable movie that I saw on computer, called HOME (I saw the version that said "with English subtitles," but the narration was in English). It is the history of our planet, from birth to now. An incredible sight. I kept thinking, "how could they film that?"

At the end, these words:

*We still have half the forests. There are still thousands of species. We all have the power to change. We know the solutions are there. So what are we waiting for?*

IT'S TOO LATE TO BE A PESSIMIST.

True. Probably the only truth left.