

Salvaging Capitalism

Saving Democracy

**How wealth extraction, stock market
games, and politics are stealing our
future.**

Dr. Bob Abell

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Dedication

This book is dedicated to the generations that have gone before, and the seven plus generations that will (hopefully) follow, and make the world a better place.

It is dedicated to my departed parents, to a mother who was kind and gentle, loved people, animals, birds, and flowers, and had the patience of Job. And to a father who was driven, through tragedy at an early age, to make life better for himself and his family, who understood honest hard work, and believed fervently that we needed the education that had been denied him through circumstance.

It is dedicated to my children, from whom I have learned many things, and who have contributed to my growth, to my business as critics, partners, and trusted employees, and to my future as a father and grandfather. And it is their future, and their children's future, both the promise and the peril, which is at stake here.

And finally, first to my wife of 42 years, my soul-mate, business partner, lover, professional editor, dance partner, and fiercest and most relentless critic. Her passion for humanity, her spirituality, unabashed love for and interest in all cultures, all peoples, and all the wonders of creation, have helped to guide and sustain me throughout my life, and throughout this intense and difficult birthing of ideas on paper.

Acknowledgement

I also wish to acknowledge the members of the local chapter of The Alternative Board: Chip, David, Greg, Tim, Moodie, and Doug, for sharing their stories, business acumen, and what was “under the kimono” as their companies underwent growth, acquisition, mergers, ownership changes, personnel issues, contract issues, marketing issues, and all of the panoply of life in the corporation in this decade.

Our over three years of regular monthly meetings to – in confidence – discuss shared problems, to critically appraise actions and directions, strategies and tactics, financing and labor relations, and to try to provide advice, questions to ponder, and a time to reflect, was surely an opportunity greater than any Ivy League school could possibly provide to study entrepreneurship close up, and to better understand how parts of the business world otherwise hidden to me in my small corner of that world really operate.

Thanks to the following for reading an early draft and providing valuable feedback: Evelyn Abell, Kendrick Abell, Tony Broomfield, Erwin Dreessen, Cliff and Bev Floyd, Dr. John Jeffery, Howard Sommerfeld.

Editor: Evelyn A. Abell

Forward

This book is written for all of you who consider yourself part of the middle class, and also for those who once were or should have been, or should now by hard work, by education and/or by experience be in the middle class in North America, but are not!

We are currently facing the greatest transfer of wealth out of the hands of the middle class to ever occur in history, and over a comparatively short period. I pondered the implications of that for myself, for my children, for my grandchildren, and I did not like the picture that emerged. This book is my attempt to share that picture, and to suggest ways to change it.

If you already know a lot about capital and how it plays out in the stock market, and how that in turn affects whether you or your children have a decent job, or any job at all, then there are parts of this narrative you might breeze through and say "Yes of course, I knew that already." Other parts might come as a real surprise.

As a businessman, and very small player in the stock market, I thought I knew quite a bit as well, but the more research I did, the more concerned I became that our whole North American economy is broken – and not by accident.

But there are **hundreds of millions** in North America who leave all of this to their broker, or their mutual fund manager, or for the vast majority, to their pension funds administrator. And you assume that the financial institutions and the government are watching out for your interests. If you are one of those people, is it important for you to understand what has actually happened? You betcha.

Perhaps doubly important, since you are the big majority, and you buy products, and you vote in elections, and when companies and politicians screw up, you pay the price. Am I suggesting you take over handling your own stocks or pensions? Absolutely not! But you do owe it to yourself and to your children to know what is going on.

So I have quite deliberately erred on the side of explaining some things that many might already know, with apologies to people like my economist friend who asked me, "Do you think people have been living under a rock for the last thirty years?"

To which my answer is "no". Rather it is like the "boiling frog" story. The changes have been very slow, "raising the temperature" only a fraction of a degree at a time. And often the really bad actors have hidden their behavior or their motives; have both seduced and "snowed" us.

The problems are massive and systemic, and far from transparent. If the system is going to be fixed, if it can be fixed at this late stage, we cannot assume that big business and government will fix it of their own accord.

They, acting together, got us into this mess. It happened slowly, over about forty years, but the negative effects have greatly accelerated since 2000.

This book is my attempt to make some sense out of what has happened to our economy, our personal savings, and our dreams for the future – and why. It is an attempt to explain the issues in simple terms that you, I, and other outsiders (as opposed to insiders) can understand. And finally, it is an attempt to offer some suggestions of where things went off the rails, and how we, both individually and collectively, can help get them back on track.

Even now, our own governments – pushed hard by multinational businesses and foreign governments – are making decisions daily that are not in your or my best long-term interests. We need to individually and collectively push back, and reverse direction, while there is still time.

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This excerpt is the full Chapter 14 on “A New Face for Government”. If you are interested in the full text, I can supply hard copies or you can find the Kindle edition at:
<http://www.amazon.ca/Salvaging-Capitalism-Saving-Democracy-Abell-ebook/dp/B00AW18CYS>

"I am only one, but I am one. I cannot do everything, but I can do something. And because I cannot do everything, I will not refuse to do the something that I can do. What I can do, I should do. And what I should do, by the grace of God, I will do."

(Edward Everett Hale {April 3, 1822 – June 10, 1909} American author, historian and Unitarian clergyman.)

"Chains of habit are too light to be felt until they are too heavy to be broken."

(Warren Buffett, from "www.brainyquote.com")

Chapter 14 – A New Face for Government

The cures that can salvage capitalism and save democracy in the process are conceptually very simple, but for a government to put them in place, and/or for Capitalists with the moral persuasion of Adam Smith to put them in place will take a concerted effort. To get these groups to move at all will take intensive pressure from those who see where the current slippery slope is heading – and who stand up and shout “Enough Already!” And this needs to happen now, not five years from now.

The alternative is to wait passively for the arrival of a new Dark Age of Orwellian dimensions – to drop into your armchair, tune in the latest game show, grab your GMO corn chips and a beer, and say “I’m alright Jack”.

We have already moved so far down the road towards global corporatism that only very strong government action can even hope to stop the mad dash to doom. So to fix capitalism, we first have to fix government.

We have all been lulled into an easy complacency by a steady diet of “bread and circuses”. It really doesn’t matter if you think this is part of a grand plot to grab control of totalitarian power, suitable for the next Dan Brown thriller, or just the natural result of an improved standard of living and life of comparative ease that we have had in North America since the end of World War II.

The result has been the same.

Spectator Sport

If we are to head off disaster for 99.5% of the human population, we need to get engaged. We are the ones that we have been waiting for. We need to stop being spectators and get in the game – particularly that wonderful game called politics. It is interesting that many of the new democracies around the world have very high voter participation, whereas in America it has been declining for years.

I have seen an article – by a person who left a well-placed political-insider position – that claims the drop in voter participation is by design, that the political party of which he was a part has been deliberately manipulating the electorate to actually lower voter participation. Not good, when you realize how low voter participation is already.

A Wikipedia list of voter participation compiled for the period from 1960 to 1995 (based on Statistics concerning electoral participation from Mark N. Franklin's *Controversies in Voting Behavior*, 2001) shows a disturbing set of numbers. Voter participation for the countries listed shows Canada is in 30th spot and the U.S in 39th. Against peers in the G8, Canada comes in fifth – ahead of Japan, Russia, and the U.S. The U.S. was dead last, by a long shot – Russia 61% and U.S. 48%.

In new democracies in the Middle East and Asia, where people don't take good government for granted, citizens go to the polls in defiance of violence and death threats. Meanwhile, here on our side of the lake, many North American "couch coaches" can't pull themselves out of the armchair and away from the game shows or football long enough to vote, let alone take the very substantial effort to research the issues in advance.

But it's fine and appropriate to complain with the boys over a beer about how the politicians have screwed us over. "Well I didn't vote for that rat!" (*Translation: "I was home watching the rerun of the Cowboy's game, and just couldn't find time to vote."*)

To really take back control of the situation, however, means going beyond the relatively simple process of voting – which should not even be a question – and engaging in the processes that select candidates for a party. If this is left to a minority of people with unpleasant agendas, then you will end up with candidates with unpleasant agendas.

The Tea Party extremism of the current election is a case in point. Candidates have been largely screened by their position on various religious, discriminatory, and frankly racist issues – even as the economy has been in free fall, and democratic freedoms we have taken for granted – freedoms enshrined in our constitutions – are under fierce assault.

These two issues of candidate selection and actual voting are clearly related. If you really believe you are choosing between a scumbag and a crook, you are more likely to sit it out with your corn chips – not that you should – because even here there are degrees of scummy-ness and different levels of honor among thieves. Not voting, or voting for “none of the above” might make one feel superior and above all that dirt, but is generally useless in terms of improving things.

The Party

At the opposite end of the spectrum from the “couch coach” non-voter, is the “reflex voter”. Now a reflex, in simple terms, is an action that happens from stimulus to response without ever passing through the brain – like what happens when the doctor taps below your kneecap to see if your leg jerks. Doesn’t take much brain.

Reflex voters vote for whomever the Party puts forward.

“Vote? Yessiree. My grandpappy’s pappy, and my grand pappy, and my pappy always voted (Democrat/ Republican/ Liberal/ Conservative – fill in the blank), and that’s how I vote too! {Smile broadly} It’s in our genes.”

Well something is in the genes ok. So much so, that reflex voters don’t even notice when the whole party gets hijacked, sometimes even changing the party name in the process. That happened in Canada. People whose pappy’s pappy voted for the Progressive Conservative Party (PCs) in the 1960’s still vote today for the presumed “successor” Conservative Party of Canada.

These reflex voters have not noticed that this Conservative party played a game of leap-frog to the right, finally clearing right over the top of the (now defunct) Reform Party of Canada (for whom these reflexive types would never have voted in a million years), and landing squarely in the next-most position to Fascism in the conventional seven-step left-to-right political spectrum that many of us learned in school:

Communist → Social Democrat → Progressive → Liberal
→ Conservative → Reactionary → Fascist

In fact, if you want to know where the old PC Party fell in the spectrum, mix one part Progressive and one part Conservative and you end up with (drum roll) Liberal – which is pretty much why voters often said there was not much difference between the two parties’ policies over time. Am I happy that our present Prime Minister’s party is now barely to the left of Fascist? No, not really.

In the U.S., this whole spectrum thing seems to break down, because the terms get thrown around with gay abandon.

Some of this looks a lot like Orwellian newspeak, such as communistfascist. I have spent way too many hours on Internet “comments” trying to explain that these are not the same – that there are very fundamental differences in the philosophies of Hitler and Stalin, and in the structure of both the government and the society each created.

Both Hitler and Stalin were megalomaniacs, both were morally bankrupt, and both ran totalitarian states, but those are about the only things they had in common, which has mainly to do with their psychology and ethics, not their politics. Their political spectrum differences (plus some “resource” considerations) were the main reason they tore at each other like mad dogs during WWII.

The spectrum thing also breaks down in a two party system (which the U.S., de-facto, is) because people seem to lose the ability to understand the nuances. So everyone who is right of liberal is conservativefascist, and everyone liberal or anywhere left of that is communistliberal.

One of the interesting consequences of this reasoning is that in spite of the triumph over communism, this makes virtually all of the developed nations outside of North America, the ones with better healthcare and lower child mortality rates – well quite frankly, communistliberal!

Using newspeak tends to hinder dialog just a smidgen. It does make it a lot easier for some members of the press corp, because they don't need to be nearly as analytical, and it reduces the need to try to understand or try to describe any nuances at all. And it makes it much easier for the scumbags to control us.

Whipping Up a New-Politics Recipe

I almost called this Whipping Up a New Deal, but "New Deal" was already taken, so let's just go with "recipe". Some of the ingredients "we the people" can supply, and we need to do that first. Otherwise, nothing will change.

The recipe is also slightly different North and South of our respective borders, but not that different in practice. **And this will not be a quick fix** – say for example one-half of the next Presidential term. In politics there seldom is, nor should there necessarily be, instant gratification. But during a full Presidential term, and absent Congressional gridlock, we might start to role back some of the worst of the abuses.

First, if you have not already done so, figure out how to vote for the candidate, not the party. And start with honesty, integrity, and caring. If your Congressman or MP is a dishonest S.O.B, don't vote for him. If he was caught cheating on his expense account, or if he is arrogant and lacking in understanding, or he tried to dodge taxes, or he ducked out on military service when your country was at risk, don't vote for him. Come to think of it, it is a bit like picking a new CEO.

If he will do these things, then he has decided that he is "entitled", and you don't really count for much, even if you did contribute to his campaign. I'm sure you have all heard the story of the sweet young thing who was asked: "*If I gave you a million dollars, would you sleep with me?*" to which she answered, "A Million dollars! Why sure!" ... "*So how about a hundred bucks?*" ... "What do you think I am, a prostitute?!!" "*We have already established that. Now we are just haggling over the price.*"

Political prostitutes sleep with the highest bidder, and sometimes the barrier to entry is pretty thin.

If a candidate is a political prostitute, don't vote for him. Not unless you have unlimited funds, and enjoy being a part of the problem. Let him go to work for a living. If you would not hire him to work in a responsible and low-oversight job in your company, why would you even dream of letting him near a vote on important government legislation that could affect you, your children, and your children's children?

And if a political prostitute gets into office anyway, watch him or her like a hawk. Press your local journalists hard to keep tabs. Follow up any awkward spots with enquiry – where there is smoke, there is usually fire. Use freedom of information legislation, friends of friends who are on the inside – whatever it takes. Attend meetings. Ask awkward questions.

Don't cross any lines that might open you up to legal action, but exercise freedom of speech – while you still have it! Join with circles of like-minded people to increase the heat. Where necessary, create and/or support petitions through socially responsible organizations like Avaaz to shed light on the issues and encourage rectification of wrongdoing.

There are thousands of voters in every riding or congressional district. If one-half-of-one-percent of the electorate took some time away from the “bread and circuses” to keep tabs on these political twits, the crooks would not last long. And the ones who are considering crossing the line? They will sit up straight and take notice. *“Don't know if you noticed, but Rip Van Voter has woken from his slumber, and is actually watching!”*

Yellow Sticky Note: Root problem – Politicians who befriend crooks.

Blue Sticky Note: Proposed solution – Judge and vote for individual politicians by the friends they keep.

My Notes for the Team Meeting: Kenneth Lay was, as Arianna Huffington puts it, a “FOG (friend of George)”. In her Internet paper “Enron: Cooking The Books And Buying Protection” she summarizes the problem as follows:

“The Enron debacle has exposed the dark side of capitalism -- and the unseemly link between money and political influence. Let's hope it also sheds a light on the desperate need for fundamental campaign finance reform. Because trust in the fundamental decency of our political system is not a trivial, inside-the-Beltway issue. Just ask the scores of people who were being sold on the virtues of investing their golden years in Enron -- right up until the stock crashed.”

Yellow Sticky Note: Root problem – politicians who are bought and paid for.

Blue Sticky Note: Proposed solution – Judge and vote for the party and/or the individual politicians who will vote in favor of campaign finance reform.

Cracking Some Constitutional Eggs

In 1867 in Canada, and 1776 in the U.S., our respective founding fathers, faced with the realities of the times, devised a government structure that seemed like it should serve us well, and it has done so remarkably for a substantial period of time. Interestingly, we in Canada patterned ours after Mother England, and you in the U.S. patterned yours Auntie England.

So we have a Constitutional Monarchy, with a Prime Minister, Parliament, and Senate and you have a Republic, with a separate Executive branch, and a Legislative Branch consisting of Senate and House of Representatives.

Now we “walk on eggs” if we think about ... even discussing ... the slightest possibility ... of changing any of the way this works. It's in the constitution for Pete's sake!

That might be, and there was a time in history, when conditions were substantially different, when the system probably made sense. Part time “congressmen” actually worked for a living most of the year, meeting only occasionally to transact National business.

The Congress shall assemble at least once in every Year, and such Meeting shall be on the first Monday in December, unless they shall by law appoint a different Day.

[Article I, Section 4, clause 2 of 1787 Constitutional Convention in Philadelphia]

When ballot boxes arrive for counting on horseback or by stagecoach, certain allowances have to be made. Perhaps the conditions have changed a tad since 1787. And some really big advances have been made.

The Representation Play

One of our big values, in Western democracies is, well, democracy! Since the days when a bunch of nobles on big horses, with some armed friends around them, forced King John of England to sign the Magna Carta, or Great Charter of Freedoms, things improved over the years. But freedom for some – not all – was problematic in many ways. If we believe that the role of government is to see to the well being of the entire populace, then the entire populace has to be represented.

In the 1750’s, the peoples of the American colonies were not well represented in London, and as a result, taxation issues (the movement of goods and services) and the flow of money were kinda out of whack. One of the defining slogans of the time was “no taxation without representation”. In 1773, the tea went into Boston harbor, and the rest “is history”, as they say.

In 1776, if you were born female, or black, take voting day off. Your services were not required. So in the 20th century we made some big gains, but problems remain.

Fast forward to 2012. Look back at the games that have been played since the end of WWII, and the taxation, movement of goods and services, and the flow of money. Are you truly “represented” in government? Are your “representatives” primarily there to bring value for you, the true owner and customer of government?

I don’t think so either. The government “of the people for the people” has become the government “of the rich for the rich”, and we have let that happen on our watch. The tea has been poured; time to break some more eggs.

The “First Past the Post” Egg

There have been many laments from U.S. voters in the last few months about having to vote either Republican or Democratic. Shouldn’t there be a reasonable third option? To this, my Canadian response is – be careful what you wish for! Bin dere, done dat, got the tee shirt.

Canada currently has five different parties represented in the House of Commons, and a government that does not even come close to representing the will of the people. How is that possible? Because of a perversion of democracy (which might have made some sense, at some time, maybe???) called “first past the post” – and the resulting “spoiler effect”.

When you add in the fun and games of riding boundaries in Canada, and the electoral college system in the U.S., mix in hanging chad in Florida, or voter fraud in dozens of ridings in Canada – which clearly broke Canadian laws during our last Federal Election – and we have the recipe for deep doo-doo. Slugs and tapeworms thrive in doo-doo.

With our present Canadian system and three major parties, one regional (ethnic) party, and one environmentalist party, we are almost never going to get a politician who is the choice of even close to 50% of the population.

So in 2006, the Harper government got in with 36% of the votes cast, and 124 seats against 3 opposition parties, who between them had 184 seats. This “minority government” has much the same effect in Canada as dividing the House of Representatives and Senate control in the U.S. Not quite the same – but sort of.

Not liking to operate with a minority, where he had to actually listen to other peoples’ opinions, Harper cashed in his chips and had the Governor General agree to call another election in 2008. Courtesy of more split votes, Harper snagged another 1.38% of the vote – but that netted him a 15% gain in seats.

Now in this 2008 election, there were some clearly illegal election-spending issues, for which the Conservative Party was ultimately “fined” a small sum. About as much deterrent as the Barclay fine for the LIBOR malfeasance.

Apparently the reflex voters were not paying attention. Crooks are crooks, and prostitutes are prostitutes. In the 2011 election, which was marked by “irregularities” (the Robocall scandal) leading to voter complaints in over 200 ridings and 1500 polling stations, Harper pulled in another 1.95% of the vote, and gained an additional 16% of the seats.

So from 2006 up to 2011, and ignoring the impacts of voter fraud, **a tiny 3.33% change in popular vote resulted in a massive 33.9% change in number of seats**, giving Harper a majority - which in 2012 Canada, more or less makes him the Sun King or the Great Leader, with a whip! This is the magic of “First Past the Post” (FPTP).

Does “First Past the Post” affect the U.S.? At the Presidential level, it certainly does! From the election of Thomas Jefferson in 1800 up to the 1912 election of Woodrow Wilson, and from the 1980 election of Ronald Reagan up to the election of George W. Bush in 2000, spoiler candidates “decided” eleven presidential elections.

Without consumer rights crusader Ralph Nader, Al Gore would have been standing on that aircraft carrier proclaiming “Mission Accomplished”, or maybe not. Maybe there would not have been an Iraq War at all.

But what the heck! The Iraq war cost only a few thousand American lives, a few hundred thousand Iraqi ones, and \$807 billion in taxes on “we the people”, before interest charges. Not a big deal. So thanks for the good intentions, Ralph. In hindsight, would you have intentionally swung the vote in this direction? Did you anticipate the outcome, or did you put on a set of blinders in order to be "right"?

I need to be clear here that the problem is not that someone disagrees with the two default parties but that the FPTP system in effect punishes the dissident opinions. Folks such as Nader in the U.S., the Greens, and even the Bloc Quebecois in Canada, are attempting to change things, to represent people concerned with perceived shortcomings in the existing parties.

But the ultimate end result is that their efforts result in less representation for the people, thanks to the brilliant gambit of First Past the Post. (And just in passing, if you check the records, there were no “spoilers” in U.S. Presidential Elections between 1912 and 1980).

Yellow Sticky Note: Root problem – taxation (and imposition of other unfair rules and practices) without representation.

Blue Sticky Note: Proposed solution – eliminate FPTP and replace with proportional representation and/or preferential balloting and/or elimination balloting (multiple rounds dropping the candidate with the least votes at each round).

Yellow Sticky Note: Root problem – crooks and political prostitutes in power.

Blue Sticky Note: Proposed solution – don’t stop at fining them. Throw the party out of power, and the specific perpetrators in jail, and do it now, not three years of legal bull and another election later.

Blue Sticky Note: Proposed solution – politicians caught clearly accepting bribes and accepting favors in return for their votes should be banned from any level of public office – for life.

Now we need many more sticky notes here. We need a lot of team input! Get the thinking caps cranked to maximum power, because getting there from here is not going to be an easy sell, or an easy trip.

The “Support the Party” Egg

According to www.house.gov, the role of a U.S. Congressman is as follows:

“Elected to a two-year term, each representative serves the people of a specific congressional district by introducing bills and serving on committees, among other duties.”

Hmmm. So explain to me how, at the beginning of a congressional session, stating as your goal an attempt to limit the current President to one term is “serving the people”? Here I thought all along that “the people” would make the choice of whether or not a President should serve a second term, and that fiscal arm-twisting to affect their decision on such things is not kosher.

And explain to me again how filibustering budget bills until S&P downgrades the credit rating of the U.S. Government, coincidentally making Government borrowing more expensive, and thus adding to the peoples’ tax bill, “serves the people”. It might be almost defensible if it really was about “entitlement” of the 47%, and not a consequence of the massive Steal Game that was going on starting before 2000.

I used to be really impressed watching bipartisan debates on C-Span where Democrats and Republicans stood up and spoke in support of a bill, and other Democrats and Republicans stood up and spoke against the same bill, and both parties worked toward making it a better piece of legislation. And then at the end of it, congressmen voted their conscience, and the bill stood or fell on its' merits.

One almost never sees that kind of bipartisan behavior broadcast here in Canada. Instead we have an “unreality game show” called question period, in which the goal is to score political points for your side by either “embarrassing” the government if you are in opposition, or showing how creative you can be in finding ways to not answer the question, if you are on the government side of the house. (Sort of a reverse version of the 2012 Presidential debates). And we pay the actors in these charades some pretty significant coin for “entertaining” us in this manner.

Mind you, in the British parliamentary tradition, politicians can vote their conscience, rather like that bipartisan support of a given bill. This is actually called a “free vote” – which kind’a suggests that all the other votes are not free. Rather, they are bought and paid for by the Party or by Party supporters. Most recent votes in Canada are of this latter kind.

But some politicians actually do have a conscience, and might just vote in a way that does not toe the party line. So they need to be “whipped into shape” like unruly slaves. For this, the party uses the “Party Whip”. Yup, that’s what he (or she) is actually called! The Party Whip! The whole concept behind this is that the Party makes the rules, the Party is always right, and you will bloody well do what the Party wants, or else.

And the “or else” can get pretty brutal, from kicking you out of cabinet back to the back-benches (Canada), or kicking you off of committees where you might otherwise help draft or vet legislation (Canada and the U.S.), right though to much more extreme actions – such as arranging for slander and slur that ultimately gives the Party “cover” to boot you out of the Party altogether, or at least greatly dim your hopes of re-election.

This has happened under Harper several times, and although there have been lawsuits against the party by former members so aggrieved, it has allowed him to continue his march to the right, unfettered by any need to concern himself with “Red Tories” – another piece of communist-under-the-bed “newspeak” invented way back in the days of the centrist Joe Clark PC government.

And if the Party can’t whip you into shape though these short term solutions, the “final solution” is political death by Primary firing squad. (Riding associations in Canada. With somewhat tighter gun laws, riding associations get on big horses and trample anyone who is a threat to the Party hierarchy and political position).

Control the primaries, or riding associations – control the candidates. Control the candidates, control the Party makeup. Control the Party makeup, control the House vote, control the agenda, and control the World. So if “we the people” want to really have representative government, there are some Party eggs to be broken.

Yellow Sticky Note: Root problem – whipping of representatives to support bad legislation that they don’t believe in.

Blue Sticky Note: Proposed solution – improve transparency.

Blue Sticky Note: Proposed solution – provide solid legal protection for individual conscientious legislators from arbitrary punishment.

Blue Sticky Note: Proposed solution – provide substantial penalties for coercion.

Yellow Sticky Note: Root problem – Joe public not noticing, or turning his back when the “good guys” get whipped.

Blue Sticky Note: Proposed solution – pay attention.

Blue Sticky Note: Proposed solution – speak out publicly in support of the honest guy.

Blue Sticky Note: Proposed solution – don't reflex vote.

Blue Sticky Note: Proposed solution – support “conscientious objectors”, especially in the preliminary events.

Yellow Sticky Note: Root problem – Parties!

Blue Sticky Note: Proposed solution – In today's technological age, maybe we don't even need Parties at all.

Green Sticky Note: How could we accomplish the current perceived-useful “party” role with a totally different mechanism?

Yellow Sticky Note: Root problem – The Media!

Blue Sticky Note: Proposed solution – Demand better coverage and analysis, including fact checking. Hire more educated columnists, and pay the political, economics, and business columnists a wage that is at least as much as the sports guy.

My Notes for the Team Meeting: Consider the various sources of news that you regularly visit. Compare the advertisers and the news articles. Do you sense a connection? If a 2-page coal ad and an article supporting mountain top removal co-exist, can you trust the independence of the source?

It is an unfortunate aspect of capitalism that the news magazines and programs depend on advertising for funding, and therefore tend to avoid dumping on the practices of the advertiser. Caveat Lector has never been more applicable.

Blue Sticky Note: Proposed solution – Protect the media sources that are independent of advertising. This is critical to having unbiased sources.

Blue Sticky Note: Don't allow huge media conglomerates to form. Adhere to strict rules related to the size of media empires and concentration of control in specific markets.

My Notes for the Team Meeting: In Canada, there is currently a big fight to save the CBC, a National radio/TV network funded with public money and largely devoid of advertising. Some rather amazing interviews bring in experts from all sides of controversial issues.

When CEOs or politicians refuse to be interviewed, this is also transparent. Is it surprising that our current slightly-right-of-Attila-the-Hun Conservative Government is trying to control them by cutting funding? The message is clear – “Cross me and you could be out of a job, and I will claim I am just protecting taxpayer money.”

Expect a similar assault on organizations like PBS, and small independents that would like to tell you the truth, but are very vulnerable.

Yellow Sticky Note: Root problem – How we use the media!

Blue Sticky Note: Proposed solution – Shift our collective focus – away from the bread and circuses to what is happening when we are not watching. Move beyond 90-second sound bytes to engage in real dialogue and multiple viewpoints.

Green Sticky Note: How much of a problem is this? Can we get some measures? Could we track this over time? Would knowing the data actually wake us up about the process?

My Notes for the Team Meeting: Advertisers ensure a healthy dose of sports and fashion, trivializing the big issues. Through coupons, contests, and commentaries on the lives of the stars, they keep us engaged in entertainment, and reduce us to the level of judging the players, the game moves, the survivors, and the dance competitions. This was bad enough **before** the days of Internet games on Facebook.

Maybe we should try an experiment, sort of like a diet or exercise program! Take 15-30 minutes a day. Read the news – local, national, and international. Yes, this includes what is happening in other countries. Digest it. Ponder it. Ask, “why?” And follow significant stories from week to week. Will we find it increasingly easy for the sports or entertainment section to wait until after the main meal?

I admit I might be treading on some sacred ground here. But here is a challenge to analyze what is going down. Watch people in a crowd – in a hotel lobby or on an airplane or train, where newspapers are passed out free.

Tally the numbers who:

- (1) look at any news other than the headlines – I mean actually read an article in depth;
- (2) actually turn to page two to finish an article, having already skimmed the headlines and the “juicy” parts in the very first paragraph;
- (3) just pick up the paper, flip to the (a) sports page or (b) arts and entertainment page (gossip), and discard the rest of the paper.

Green Sticky Note: Are we, as a society, fixated on “bread and circuses”, and how bad a fixation is this? Are we collectively paying attention to all the wrong things, while the crooks and worms grab the family silver and run for it?

My Notes for the Team Meeting: If you are either really brave, or just really obtuse like me, try to start a conversation on a bus or plane about any one of the topics that we have covered in this book. **Warning:** if person B is wearing an Armani suit, a genuine Rolex, and looks like he might have a hairpiece, try to make sure he is not “carrying” before you start the conversation, or that the guy in the next seat is not an “enforcer”.

If you are comfortable, you could try some really common icebreaker, such as: “Did you know that when he was twenty-four years old, Alan Greenspan was a acolyte of Ayn Rand?” If they reply “Who is Alan Greenspan”, then I suggest you switch to football.

Green Sticky Note: How do we get though to friends and acquaintances who live for Sunday football or can't switch off "The Price is Right", while their children's inheritance – and democracy itself – is being snatched from under their noses?

Big Billed Birds Egg

When you pick though the "Scrambled Eggs Super" of today's massive legislative bills, you find lots of stuff that should not be in "your food". Probably the worst example in recent human history, and maybe in all time everywhere, is the 450-page Canadian Bill C38 – the Conservative Budget Implementation Act 2012 – also called by critics the "Trojan Horse" bill.

Given control of the majority of seats in the commons, by legal or illegal means, the Harper government literally rammed through a supposed "budget bill" which includes, among other things changes that:

- gut 20-years worth of previous environmental protection gains;
- weaken the government science community in everything from climate and pollution monitoring and fisheries protection to demographics and statistics;
- seek to limit, through changes in the Income Tax Act, the ability of charitable organizations to engage in any kind of political activities;
- wipe out a backlog of 280,000 immigration applications by skilled immigrants;
- change the oversight of the Canadian Security Intelligence Service;
- shut down government funding to citizen-based health and welfare groups, rights and democracy groups, and environmental groups; and
- make significant changes to the social security and employment insurance programs.

And they rammed this Trojan Horse though by passing a motion to limit debate to something like ten hours on this massive bill. Incredible.

As one recent comment on a news feed succinctly put it:

“Harper and the cons are in a huge rush to bypass democracy. It really does get in their way. It is such an inconvenience.”

From my understanding, such an atrocious bill could not (presently) ever make it though both the U.S. Congress and Executive branch. The U.S. Constitution provides some checks and balances, and earlier Congressional leaders have put in place procedures that should make this abuse of power very difficult.

But you do have provisions in those same procedural rules that result in massive abuse, and that cost the taxpayer big time. That is the provision for “pork-barrel politics” through “earmarks” – funding designations tacked onto totally unrelated bills as the price of support by specified congressmen.

Outside of politics, this would be called “extortion”, or at the very least vote buying – but inside the halls of Congress this is just business as usual.

And of course these earmarks are intended by that congressman to reward big campaign contributors, or to effectively “buy” votes from his constituency. And Sen. Phil Gramm did get the CFMA tacked onto a budget bill.

In the Harper case, Bill C-38 is in large part to support large resource projects like mining and tar-sands export, which will certainly benefit a few big corporations to the tune of billions of dollars, and has and will contribute big time to Conservative campaign funds. In any context except politics, this would all fall under the illegal activity called bribery.

Yellow Sticky Note: Root problem – crooks and political prostitutes in power.

Blue Sticky Note: Proposed solution – (See previous sections!)

Yellow Sticky Note: Root problem – supersized, toxic, and “Trojan Horse” bills.

Blue Sticky Note: Proposed solution – Limit bill size and “earmarks”.

Blue Sticky Note: Proposed solution – remove the direct influence of corporations in wording of bills.

Blue Sticky Note: Proposed solution – restrict the content of and amendments to a proposed bill to things that actually pertain to the main purpose of that bill.

Blue Sticky Note: Proposed solution: Prevent the inclusion in a bill of clauses that would have the effect of nullifying other bills, without full debate on the intent and purpose of the original bill.

My Notes for the Team Meeting: All of these things must pass into law, and none will happen unless we make them happen. Recall Edward Everett Hale’s wonderful quote at the start of this chapter:

"I am only one, but I am one. I cannot do everything, but I can do something. And because I cannot do everything, I will not refuse to do the something that I can do. What I can do, I should do. And what I should do, by the grace of God, I will do."

So we must first be true to ourselves and do what we should do. But we are also a part of a great brotherhood of man, so we are one but we are also many, millions around the world.

If we can’t move mountains by ourselves, we can leverage the many, within our social groups, on petition sites like Care2Action, and Avaaz, though networks of likeminded people on Facebook or Linked In, on chat groups and newsgroups, and in our community groups and grassroots political organizations.

The “Sue The Government Into Submission” Fallacy

One last thing, which is really an afterthought, is prompted by an email I recently received from a cause that I definitely believe in – Ecojustice. I was well into the last chapter of this tome, so backtracking “smarts”, but this is an important point.

To make things happen, and pull us out of the quicksand that we are slowly but surely sinking into, one approach is to go the “legal action” route and sue the twits in Government when they break their own rules.

Now this seems a sensible and reasonable thing to do. Without statistical studies, and in my usual cavalier way, I will go with my gut – and some very direct local experience over the past two years and say, in most of these cases going “legal” against the government will backfire.

[Hopefully someone out there will grab this one as an “opportunity” and actually gather some real data, rather than my anecdotal stuff and bunches of hunches. Hint: This would make a good Masters or Ph.D. study for some enterprising person in the environmental or sustainability space.]

Why would this backfire, you might well ask? All we are doing is seeking to use the law directly against the government, so they do what the law requires, and do the right thing!

I have seen this one close up, in a local battle with the City of Ottawa, over the destruction of an ecologically sensitive area of pristine forest and wetlands on the west end of town. (I could give you about 600 reasons this should not have happened/be happening, but that is totally beside the point.)

The problems with the “go legal” approach are many, but when you think about it, the first one is the real biggy:

1. You are really suing yourself and your friends, and your “could be” friends and supporters. To me, this seems just a bit dumb. If you win big, what are the newspaper headlines?
 - *“City Loses Courts Case Against the Environuts Coalition – Settlement Will Cost Taxpayers \$400,000.”*
 - *“Two Years After Completion of Highway, Court Case Finally Settled”*
 - *“Mayor Cites Legal Costs, Cost Overruns From Construction Delays, in Defending Tax Increases.”*

Does this really help the cause? It does not seem a winning gambit if your long-term goal is to gain friends, influence people, and affect real change.

All of those people on the margins, the ones you might have recruited in your fight against City Hall – now they hate your guts. Yes, they don’t understand what is at stake. Yes, they should, but they don’t.

And the media, and the social media trolls, and government “attack poodles” as Catherine Austin Fitts calls them, will make sure the public continues to not understand the real issues.

2. You are making heroes out of bums. The City is not messing up the environment; it is “protecting the taxpayer”.
3. The City (or Province/State or Federal Government) makes the laws. They have spent years dancing with moneyed folks in the private sector, either weakening the laws or making them so obtuse that any attempt at holding them accountable has about a snowball’s chance in hell of getting anywhere – and will cost an arm and a leg.
4. If you do actually succeed in pinning them on this one, what do you think their response will be? Say,

- a. *“Oh we are so sorry, we won’t be bad again.”* Or
- b. *“We need to change that law, so we can’t be caught that way again”.*

Maybe that is why there is a current discussion on the Green forums in Linked In that asks:

“Are environmental standards, and the laws and research resources that support them being systematically dismantled to push the fossil fuels agenda?”

5. The legal process, at least as currently constituted, has all sorts of procedural delay tactics built in. These are supposed to protect a defendant from being railroaded, but in fact primarily serve the purpose of making the case drag on and on, while the lawyer’s bill is climbing rapidly.

This works against you, because the Government has a whole passel of lawyers who work for them and view their job as “protecting the government”, not protecting the public – unlimited time and basically unlimited funds.

We could get caught up in the niceties of this, but the bottom line is that “we the people” are paying for both sides of the legal argument – one through voluntary donations, calendar sales, and bake sales, and one through the involuntary donations called taxes. What could possibly be a better example of lose-lose for “we the people”.

6. Even if the court supports your position, as they did in aspects of our reference case:
 - a. the damage is already done (road is built, and trees cleared on the highlands for more little boxes made of ticky-tacky);
 - b. the court is not obligated to award you costs (they didn’t); and
 - c. you are stuck with a huge legal bill, on which the lawyer charges interest (yes he does).

No one who was not part of the original questionable decision to “go legal” in the first place is overly keen on paying the bills for a “lost cause” after the fact, and the more desperate your attempts to recoup these costs and get the lawyer off your back, the more you fragment and alienate parts of what should be your support base.

You have now dug a huge hole, jumped in with both feet, and rendered yourself considerably less effective in the future.

Yellow Sticky Note: Root problem – Suing the Government for wrong doing, such as ignoring their own laws, does not seem to work that well.

Blue Sticky Note: Proposed solution – If you must “go legal”, go after the organization that stands to **benefit** from breaking the law, the corporations, not the government.

My Notes for the Team Meeting: Often companies have falsified information, or ignored inconvenient truths, “strong-armed” consultants into cooking the data, etc. Try to get the government (and government lawyers) on your side of the legal table, or at the least, make it very politically inconvenient for them to side with the crooks.

Concentrate your arguments in the media on the perpetrators, not on their government backers. You and I both know that in these situations, the taxpayer will ultimately lose.

Make it about taxes! Make it about hidden infrastructure costs. Make it about externalized costs. (OK – so that is what happens when you go back and insert stuff. The “externalized-cost time bomb” is in the next Chapter. ☺)

Blue Sticky Note: Proposed solution – Don’t go legal. Go PR. Public demonstrations, legal information sessions, picketing, handouts.

Authors notes, suggested readings, and references:

The journey of writing on a topic of this scope over a relatively short period would have been extremely difficult in an earlier age. We today have the great advantage of high speed Internet, and articles and essays thereon, which in turn hyperlink to other sources; a vast cornucopia of tidbits and treatise on any topic under the sun.

This presents both opportunity and peril, since the scholarly work and the propaganda coexist, with at times seemingly equal weight. During the writing, I endeavored to cross check data across multiple sources, but very specific information can have an error probability. The reader or co-creator is therefore strongly encouraged to perform his or her own investigations on any topic where my data or position seems at variance with your understanding.

With this method of research, comes the corollary that it becomes very difficult to track the exact source of every individual piece of information. I even found places where it was actually forbidden to quote from the source - in that particular case a testimony before a U.S. House committee! I have endeavored to indicate direct sources in line with the text, but since most are web-based publications, there is no guarantee they will still be there if you go looking.

It is interesting to think that in an earlier print-based world, much of the variety and color of reporting was ultimately lost, filtered through the eyes of historians and academics, and often with a particular lens or focal point. The rules change, to an extent, on the web.

Wikipedia articles, for example, may be frequently edited by relatively large numbers of people with specific knowledge and interest in a given subject. I personally consider this process to be more reliable and less prone to any systematic bias than much of what has gone before.

Similarly, I consider local news articles related to specific companies to be generally more reliable than something written by a commentator thousands of miles from the action, and dependent on secondary sources.

So I gravitate towards an article about Nortel in the Ottawa Citizen, for example, rather than in Fox News. And I consider that if a local news article says that businessman X received a jail sentence of fifteen years, this is probably correct, and has not been "fudged" just because it is in the popular press. Truth in advertising - I think it is safe to assume nothing in this narrative came from Fox News or any other highly partisan source of a particular political stripe, except perhaps some of the material from Forbes.com for which I suggested a Cheerleader award.

Some specific recommended sources:

Investopedia.com for relatively clear and factual information on stock market issues, including various bubbles and aberrations throughout history.

Wikipedia.org for many specific details on famous people, such as Adam Smith and Karl Marx, and most of the crooks who have appeared in these pages, like Bernie Ebbers and Jeffrey Skilling.

Bloomberg.com, Forbes.com for specific information on companies, people, and profits.

Huffingtonpost.ca, Huffingtonpost.com for general news affecting "we the people".

Early in the development of this book, I read **Les Leopold's The Looting of America** from cover to cover. This provided a totally new perspective on the scale and complexity of the problem. Reducing Leopold's place in this narrative to a few paragraphs does not do justice to his influence on my developing understanding, and I would strongly recommend this book, available through Amazon Kindle, among other modes.

Adam Smith's works are largely available as free .pdf although I concentrated on those portions of the Wealth of Nations that dealt with the meaning of money, and the nature of markets and of those who would later be called “capitalists”.

I also archived approximately 70 specific Web articles, knowing that such information can be transitory, disappearing into news archives or ending up as dead links. I did provide direct source references where I quoted from specific sources.

Should the reader be unsuccessful in locating some specific information, possibly because it has been archived or removed, I would be happy to oblige a specific request, which can be addressed to me at rabell@rovell.com.

Finding a Team to Work With:

If you have been moved to consider how you might play your part to try to pull us back from the abyss, you will need to align with people and with groups that address some aspect of the problem. Find something that really touches you and dig in. Post, blog, sign petitions, phone and email political, business, and labor leaders. Organize and support campaigns and boycotts.

If you have no idea where to start, you might try a simple Google search on keywords, or you might start with:

en.wikipedia.org/wiki/Activism,
which has links to different types of activism from community building to world peace. You might also want to check:

en.wikipedia.org/wiki/Power_Shift
which has links to organizations involved in the Power Shift movement around the world.

I am aware of a few specific groups that might be of interest, or at least be a starting point. They include U.S., Canadian, and International organizations that are trying to make a difference.

I have listed them alphabetically, as some are focused on a fairly narrow objective, while others are more “cause based”. Some are very activist, and some are forums for discussion. A quick visit to any of these web sites should give you a sense of their focus and methods. Find one or more that resonate with you:

Avaaz – www.Avaaz.org

Canadian Parks and Wilderness Society - cpaws.org

Council of Canadians - www.canadians.org

Canadian Department of Peace - www.departmentofpeace.ca

EcoJustice - www.ecojustice.ca

Fair Vote Canada - www.fairvote.ca

Leadnow - LeadNow.ca

Pachmama Alliance - www.pachamama.org

SME - Take Back Manufacturing - sme-tbm.org

Sum of Us - SumOfUs.org

ThePeaceAlliance - ThePeaceAlliance.org

The Sierra Club - www.sierraclub.org, www.sierraclub.ca

If you identify a serious problem, but do not identify an action-oriented group, why not start one? Nigel Southway and his buddies in the Toronto Chapter of the SME witnessed the demise of manufacturing in Ontario and across North America. Instead of pouring another beer and switching the channel, they started the group to “Take Back Manufacturing”. The first meeting in Toronto overfilled the room and ended some time after midnight. Their site is listed above.

Facebook and Linked in, as well as other social media sites also have many group discussions. In fact, as I mentioned at the beginning, it is was discussion in such a group that prompted this book in the first place. So now it is over to you.

About the Author

Dr. Bob Abell is a business owner, a teacher, and an environmentalist. With a Ph.D. in science education, he has a keen interest in the history of science, in ethical science, in health, business, politics, and government.

He is the author of a novel, also published in 2012, called The Corporation.