

Is This How To Fix A Broken Economy?

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***Forerunner*, "WorldWatch," March-April 2009**

Former Federal Reserve chairman Paul Volcker, a key economic adviser to President Barack Obama, told a Congressional hearing in January that "the economy is broken." Does anyone else find this a bit extreme? The economy is certainly performing poorly but "broken"? It may be in recession, but the American economy has climbed out of recessions many times before, even a Great Depression.

Perhaps we need to start at the beginning and relearn what an economy is. *Webster's Dictionary* defines *economy* as "thrifty and efficient use of material resources: frugality in expenditures; also an instance or a means of economizing: saving." The fourth definition listed provides "the structure of economic life in a country, area, or period." *Economics* is "a social science concerned chiefly with description and analysis of the production, distribution, and consumption of goods and services." Blending these together, a sound economy would be "a thrifty and efficient structure and means of production, distribution, and consumption of goods and services in a country or area."

These days, such a thing sounds as rare as a dodo bird.

Most nations want to be peaceful and prosperous. Peace usually occurs when a nation has good relations with its neighbors and, in a dangerous, violent world, a strong enough military to deter any potential adversary. Prosperity also usually requires peaceful relations with neighboring countries along with the aforementioned "thrifty and efficient structure and means of production," etc. However, this seems not to be the aim of the United States under the Obama Administration, as it has not been the aim of a majority of European nations for more than a generation.

No, America no longer seeks to maintain its military and economic power as its prime directives, but according to the words and actions of the President, to be loved abroad and to achieve fairness at home. These are the goals, not of a confident, optimistic, growing nation, but of a guilt-ridden, self-absorbed, declining state whose rulers hope that righting all the perceived wrongs will grant them a measure of self-respect and an echo of the nation's former glory. As we are witnessing, such goals do nothing more than to earn further contempt internationally and a bottomless pit of debt domestically.

To these ends, the Obama administration has opted to compound former President George W. Bush's final mistake, as he put it, "I've abandoned free-market principles to save the free-market system." The young administration has abandoned the free market entirely, plunging the country into socialism at break-neck speed. *Socialism* is defined as "a system or condition of society in which the means of production and distribution are owned and controlled by the state." In Marxist theory, by the way, socialism is the transitional stage between capitalism and communism.

Thus, over the last few months, the nation has taken on trillions of dollars of debt to "rescue" banks and automobile manufacturers, to try to put millions of unemployed people back to work, to shore up the mess that government-mandated relaxed rules made of the housing industry, and finally, to reward liberal groups and constituents with billions of dollars of "pork" projects. In so doing, the President has become the *de facto* head of banks, financial institutions, mortgage lenders, and two of America's "Big Three" automakers. In addition—as he promised to do during the Presidential campaign—he is engaged in redistributing the nation's wealth, not along the lines of merit based on

hard work and diligence, but by handpicking the winners and losers based on "righting past wrongs" and "evening the score" for the downtrodden.

Despite capitalism's downsides—greed, exploitation, competition—it is a far-superior economic system to socialism. Within the bounds of Christian ethics, it not only permits but also encourages growth and prosperity. For example, while the average American gave at least lip service to Judeo-Christian principles, capitalism was responsible for the growth of U.S. per capita gross domestic product from \$1,048 in 1820 to \$18,317 in 1989 (using real 1985 dollars). In other words, an individual in 1985 produced 17 times more for the economy than his ancestor in 1820—growth that was mirrored in income.

Because it is based on the ownership of property, capitalism functions properly only under conditions of individual liberty. With land comes the ability to produce a product—whether vegetation, livestock, lumber, ore, etc.—a craft, or a service based on those raw materials. The product, craft, or service can then be bartered or sold to someone who needs it. Using his own labor and talents, a person can succeed as much as he desires; he has the ability to choose his own level of effort and income. In this way, each individual has ownership and control over his destiny.

Yet, socialism demands that freedoms be curtailed or removed. While advocates of socialism extol it in terms of "equality" and "fairness," socialist societies are always governed by a ruling elite that accrues power, wealth, and privilege to itself. Everyone else is forced to share what little remains. Already, Americans' power and control—the choices and liberties of "We the people"—are disappearing quickly, and a command-and-control economy and its attendant *nomenklatura* are taking their places.

These political, bureaucratic, and corporate "names"—and their allies in media and entertainment—are manipulating the levers of power to regulate and control every facet of government, business, education, energy, healthcare, etc. Ultimately, beyond their personal, individual lusts for power, their goal is to erase sovereignty and join other nations in world government to fulfill their utopian dreams.

So, rather than fix our "broken" economy, they are using it to advance their agenda. Obama's Chief of Staff, Rahm Emanuel, cynically told the *Wall Street Journal* Digital Network on November 19, 2008: "You never want a serious crisis to go to waste. And what I mean by that is an opportunity to do things you think you could not do before." If it can keep the American people in a perpetual state of crisis, there is no telling what radical change this administration can effect. With only a few months of power under its belt, it has time to turn the American way of life on its head.