

October 25, 2016

Prefix

I would very much like it, if you would take 10 minutes of your time and read this Paper today. I am not sure you will agree with it, but I can unequivocally promise you: my thesis will become reality in less than a decade and you will remember: that you read the prognosis when you still had a chance to do something about it. So, should you agree with it, please forward it to as many people as you can today. If you disagree with it, please keep a copy for your future reference.

I have been writing about political issues for over a decade. My style is well known and it amounts to “I call it (name it) as I see it.” As a result, I have been arguing with people around me about the difference between “name-calling” and “definition.” While I always mean the latter, many have been tagging it as the former. However, I have never called anyone a “gangster” or “idiot,” unless I had reams of data to back it up.

Yet: in this writing I am not going to use a single word that provides ground for conversation of “terminologies.” It will be clean, precisely because I want readers to concentrate on the substance instead of the style.

With regards to the entire topic laid out here, you need to keep this in mind: I do not have a “single pony in this race.” None. I am close to retirement age (I can retire on February 1, 2017), and the social security I will be receiving provides my wife and I 2.8 times of the “upper middleclass” living standard in Hungary, the country we were born in. We have other financial means, but social security alone provides that, if we moved back. In other words, we can live almost three times over the “upper middle class level” from March 2017 (five months from today) if we chose.

I want you also keep in mind that I –in this Paper- argue *against* my own interest and *for* America’s interest. The more this society will be pushed toward a liberal or socialistic system, the more money and services (considering our age) my wife and I will receive. No matter what happens, I will be an American citizen throughout my lifetime, so, I could just vote for socialism and enjoy the ride. I am not doing that. So, just keep this in mind.

Finally, it is important to put this on the table: I was born in Hungary in the middle of the worst socialist time, grew up and spent the first 32 years of my life there. Because I have always been interested in, as well as, the avid reader and researcher of political science, I like to think I belong to the top 5% of the population understanding the various vectors, their origination points, sources, resources, directions, most probable outcomes and the effects of the intersection of these socialist vectors. In other words, I probably smell and see things that 99% of born Americans have no clue about.

Happy reading

The Argument

The world’s economic/political history of the last century and the most probable outcome of this one could be encapsulated in three quotes:

October 25, 2016

"From each according to his ability, to each according to his needs."
(Marx)

"The inherent vice of capitalism is the unequal sharing of blessings; the inherent virtue of socialism is the equal sharing of miseries."
(Churchill)

"The problem with socialism is that you eventually run out of other people's money."
(Margaret Thatcher)

Marx established a thesis, that looked great on paper (you will meet with this "looked great on paper" or "it sounds good" several times throughout this Paper); the one element Marx left out (I don't think intentionally) was the "human element." It's simple: maybe 20% of the human population is capable to overcome the temptation of "doing nothing" (or doing what, when and how long the person desires to do) if someone pays for the "doing nothing." It's simple, human nature. Most people will lower their living standard if someone finances "that" minimal standard, than go the other way (earning a higher standard living).

Churchill and Thatcher established another side of the problem. In a simple way to state it: you can have a two employee company, a 100,000 employee company, a small/large charity organization or a small/large country; one thing you will not, ever get around: the created value of the given organization must be equal or larger than the spent value, otherwise the organization will cease to exist. It's just that simple.

And this is where the three theses intersect: Marx's mistaken assumption of human nature (leaving 80% of the human population out) shows up in Churchill and Thatcher's definition. If Marx is right and humans without financial or other interest are performing based upon their abilities (while only consuming based on their basic needs); then Churchill and Thatcher are wrong. On the other hand, if humans –because of their nature- require motivation of various kinds to produce and perform at higher than basic level, then we are back to Churchill and Thatcher's axiom of "...the created value of a given organization must be equal or larger than the spent value..." --and by definition, Marx's thesis has been rendered useless.

Throughout the last century, there were many attempts to try socialism and/or socialistic (i.e. "income equality") ideas. Every single one of them failed, at every single time because of one contradiction: human nature vs. "...created value of a given organization must be equal or larger than the spent value..." The split second, when people continuously receive goods (of any kind) without continuously earning it, people consider it as a "given," as "it is owed to me" and they behave by following that pattern.

Because socialistic values look great on paper, most leaders who want to establish a socialist system enters into the space with good intentions; people will work and do their best, income disparities will disappear, "wealthy people will pay their fair share," people will live in a happy society. All we need is to "explain it to them." However, once these leaders got elected, they soon discovered the inherent discourse between Marx's thesis and the economic reality addressed by Churchill and Thatcher. The only tool that remains in these leaders' hand at that point is to force their will; which leads to various degrees of dictatorship. Even at this point, most dictators act with good intentions: "I will force my people to do this, until they realize it is good for them." This thesis is

the foundation of “ends justify the means,” which leads to unlawful, anti democratic, anti society moves and actions.

It is safe to argue and conclude that socialistic leaders will start with “good intentions” and invariably end up with “ends justify the means”. ***Socialism inherently, by definition contains dictatorship, tilting toward anti-people, anti society, anti freedom, anti democratic and a “by and large” unlawful society. That’s a given.*** It is not because these people are “bad” or enter the space with an anti-society intention, but because the system itself puts them on that one way track.

Socialism’s built-in problem is well described by Churchill and Thatcher: if we understand the thesis, then it is given that someone must create the value. In the US, 5% (!) of the US population is paying 71% (!) of all income taxes. Since the fundamental thesis of socialism is “being equal,” then (unless Marx’s thesis is valid; as it has not been) the very core of socialism is the polar opposite of the “value must be created” foundation of any (small or large) economy.

If this was not bad enough, consider this: “socialism” is the final but necessary and inevitable stop of the democracy-liberalism-progressivism-socialism road. It started with democracy, preaching “bright, democratic future.” In a general sense, if we accept the Churchill/Thatcher thesis, then the “value” is going to be created by a small segment of the society, while a much larger segment will – by human nature- try to act/behave based upon their nature; get by with a minimum effort, receiving the maximum. So now, you have a three layer system:

- 1) Earners
- 2) Middle class; various percent in various societies will philosophically support category no. 1), some category no. 3)
- 3) Getting the maximum by doing little or nothing

As Thomas Jefferson accurately said: *“The democracy will cease to exist when you take away from those who are willing to work and give to those who would not.”*

What has been an unavoidable, unstoppable flowchart in the last century is that category no.3) plus a growing segment of category no.2) (the “believers”), step by step overwhelmed category no.1), -- and society crumbled. This road invariably has been littered with growing animosities leading to outright hostilities, wars waged by category no. 3) on no.1). Therefore the system that started with “happy democracy, where majority decision rules” inevitably arrived to an unhappy, war-like situation where people (acting based on their human nature) wage war on the people, whom their very existence depends on. In other words, the very system which was meant to be happy, civil and democratic, invariably turns itself into its own evil; a class warfare between people within the society. It also turns an economic issue into a political one.

The economic side of the thesis was well formulated in JFK’s “tide lifts all boats” and President Reagan’s “trickle down economy;” they understood that someone must create value, and the created value can be distributed based on the creator’s functionality within the system. This “value distribution” is well portrayed in charity organizations vis-à-vis charity tax write-off for people who donated. But this system only works based on voluntarism where the people who created value are willing to donate part of that value. The difference between this and socialism is when the “donation” is mandatory, in a form of high taxation.

To visualize socialism, it is important to understand, the “if you don’t drive a wheel, it will slow down, then stop” thesis. Also, the larger the “wheel,” the more momentum it has, the “slow down” is less

October 25, 2016

noticeable. But when it stops, it is much harder to make it turn again. It is crucial to keep in mind because the cardinal reason why “the wheel slows down” is socialism; because it invariably lives off the financial reserves of the previous political system; at some point (as per Thatcher: “...*you eventually run out of other people's money*”) the financial reserves are gone, but leaders want to keep the power; they turn to dictatorship as the only remaining option.

The “hardly noticeable slowing wheel” compounded by “socialism invariably lives off the financial reserves of the previous system” thesis can be modeled and well observed within the last four decades in the US; the previously created/accumulated wealth has been the single root for the flourishing of the liberal ideas. This country has been living on \$400 billion - \$800 billion debt each and every year for three decades. It was borrowed on the “gene” Americans are born with: “we are the biggest, the wealthiest, we can borrow, we can pay it back”. The very same arithmetic could be found in work ethics, education, unions, politics, factories, industries, etc. The “*we have enough to shed some of it*”. We are learning now, that “we are not”. Like no one has ever been. The law of physics works in our case too. As everywhere else it was tried, this “wheel” has slowed down, close to the point when it will stop. As a microcosm, it could be followed in Venezuela. A country that is sitting on top of a huge oil reserve is now bankrupt, and the president of the country had become a dictator. One can follow this flowchart all the way back from 1917 in Russia. “Socialism” always has three phases:

- “happy” (while the available money is being distributed)
- “uncomfortable” (when the money supply gets tight)
- “dictatorship” (when there is no money but the system has been set up and wants to survive)

The tragedy in every single instance where it was tried, people (not knowing any better) supported “socialism” in the “happy” phase, and by the time they realized what they have gotten into, the system was so solidly built, that they could not change it. We are one election (November 8, 2016) away from this point.

So why don't people see it? Why do people vote these socialist leaders into power? It is a great and highly reasonable question. And this brings us to the today's America. The underlying issue in today's American society (giving us a complete and detailed picture of the 2016 election cycle) could be found in the last 60 years' generational history showing us that American voters try socialism in every 15-20 years. They tried it under FDR; America's wealth under FDR did not come from FDR's policies; it was produced by WWII. If WWII did not happen, FDR's socialistic policies, created during the mid-late 1930s would have had a reasonable chance to collapse the country. Came 1963, and LBJ brought “great society,” and “war on poverty.” It was also tried during Jimmy Carter (1976-1980) and Bill Clinton (1992-2000). Obama has been trying it since 2008. Think of it this way: in Obama's case, the population that was born after 1980 (they could vote for the first time in 2000) has no clue about socialism; they have never lived a day in it. Here is another way: the last person (before the 2008 Obama election) who voted for a socialistic system and lived through it was born in 1974 (!!); this person was 18 years old and able to vote for Bill Clinton. So, the “looks good on paper” has been gathering strength again over the last 8-10 years.

Other factors gathering strength could be clearly described based on this Paper's arguments: over the last 20-25 years, “liberalism” has been becoming more pronounced, leading to progressivism (which is alive and well today) to a point where one of the presidential candidates of one of the major political parties (Bernie Sanders) openly peddling “socialism,” and openly socialist, ultra left people such as Elisabeth Warren are considered “party icons.” We are well on our way into the “democracy-liberalism-progressivism-socialism-dictatorship” flowchart. In many ways:

October 25, 2016

- If Hillary Clinton will be the president from 2016, the Supreme Court will become ultra left, socialist.
- In that capacity (and following the “democracy-liberalism-progressivism-socialism-dictatorship” unavoidable flowchart) there is a more than strong likelihood that America will lose the majority of its fundamental, core concepts, among them: the First and Second Amendments (no, not by declaring them “null and void;” but, -in the case of the 2nd- giving us a law that “people have the right to bear arms so long as the said arm has a one bullet capacity, and the bullet is not larger than a 22; ---a la Roe vs Wade).
- If the US Senate will be under “democratic” majority (I don’t like to tag these people as “democrats;” JFK’s “what can you do for your country” democrats were “democrats.” These people are socialists), the Finance Chairman of the Senate will be a committed socialist; Bernie Sanders.
- There will be lots of other national security, foreign policy, union, education, military and other issues turning left; I am only talking about the systemic problems. How this country will stay on course to inevitably and irreversibly arrive to “full socialism followed by unavoidable dictatorship” stage of the flowchart? This journey toward socialism –which will forever eliminate the United States of America in everything but her name- will obviously be assisted and accelerated by fleeing capital, accelerating the “uncomfortable” (when the money supply gets tight)” stage of the game; to understand the “flowchart,” it must be clear and evident that as we speak **today**:
 - There are trillions of dollars cash sitting outside of the US (because of high taxes);
 - There are companies by hundreds and thousands making their headquarters outside of the US (because of high taxes and socialistic regulations);
 - There are millions of jobs that have been exported in the form of companies relocating their factories (because of high taxes, socialistic regulations and unions);
 - Non-union states in the nation have been doing far better (for decades) than unionized states;
 - America’s debt under Obama has doubled, grown to \$21 trillion; 21,000,000,000,000. Our **daily** interest is \$2.51 billion dollars;
 - America’s total unfounded liabilities are \$145 trillion (it is 2.1 times of all money in the world);
 - We have been seeing exponentially increasing social unrests and ever-widening division between “categories no. 1-2-3” over the last 6-8 years.

Yet, Hillary Clinton, Bernie Sanders, Elisabeth Warren (...) are still pushing “equality,” “free college,” “single payer healthcare,” “America is racist,” and other socialistic phenomena. So, yes we are just about through with the flowchart’s “uncomfortable” phase, entering socialism and dictatorship. Money will leave the country; no one can stop that (it, by doing so, will further accelerate the problem). It is a given. With that, we have arrived to **“the created of the given organization must be equal or larger than the spent value, otherwise the organization will cease to exist”** paradigm. It is (again) non-political; this is mathematics.

If this (like all other) mathematical equation worked, then the rest of the flowchart will work too. It is –like any other mathematical equation- unavoidable.

And if this was true, than it is very safe to conclude: with your vote for Hillary Clinton, you are going to:

- **Undermine America and what made America “America;”**

- ***And Permanently kill your children and grandchildren's future.***

At the end, the 2016 presidential election is not about Clinton vs Trump, nor republicans vs democrats; the 2016 election is about socialism vs capitalism, and whether we are going to keep America based on the values that made her "The Shiny City On The Hill" or are we going to loose it forever?

It is up to you.