

Global Finance Capitalism is “Functionally Bankrupt”: Could An American Nationalist Party Make a Difference?

By [Richard C. Cook](#)

Global Research, September 17, 2008
17 September 2008

Region: [USA](#)

Theme: [Global Economy](#)

Part II:

Part I of this two-part article on “Change” asked, “Has the West reached its limits?” The answer increasingly seems to be, “Yes, it has.”

The U.S. , as the main agent of expansion for global finance capitalism, has been declared “functionally bankrupt” by economists close to the Federal Reserve. (Journal of the St. Louis Federal Reserve, August 2006). But no one has wanted to listen. What is really behind the ongoing financial collapse is the ruin wrought by a debt-based monetary system, and it is clear that those who run the system have no answer.

The financial collapse is dragging down the producing economy as job losses mount. But relations with other nations are affected as well.

Nations outside the Western sphere of influence, most notably Russia , have declared that “enough is enough.” For Russia and nations such as Venezuela and Iran , and likely many more struggling with the question of where their real interests lie, a unipolar world where the U.S. military serves as the police force for the New World Order’s outrageously overextended financial empire is no longer acceptable.

Through the election of 2008, the citizens of the U.S. have the latitude to choose their next step, though some say they don’t, because the Republican Party knows how to rig the electoral process. But the public also has the ability to put a stop to that if they so choose. Human beings are not innocent of their fate.

Basically there are only two options for a nation that has painted itself into a corner by hosting a predatory financial system, including the system of dollar hegemony where other nations purchase that nation’s debt to finance its fiscal and trade deficits. So what does that nation do when those other nations start to resist?

The options are 1) to continue to subjugate those other nations through covert or overt warfare, which is what the U.S. has been doing since the national security state took over in the 1950s; or 2) change its financial system to one that is non-predatory and does not require a steady diet of victims to assuage its internal contradictions and appetite for gain.

With the foregoing as a touchstone, we can evaluate the desirability of voting for one or another of the current presidential candidates.

Republicans John McCain and Sarah Palin may be the most dangerous political candidates in the history of the U.S. They are the representatives of the Bush-Cheney-Neocon-Zionist-Cabal that seems to view World War III as not only the favored method to avoid facing our economic plight but also something really exciting and justifiable in its own right. McCain fits in perfectly with that view—the only thing that really seems to turn him on is the prospect of more war.

McCain admits he knows little about economics, yet he has endorsed George W. Bush's plan to privatize Social Security. This plan would result in large fees and commissions for the financial industry while reducing benefits for most workers. (Dean Baker, "McCain Would Privatize Social Security," Truthout Perspective, September 15, 2008) McCain has also declared the present U.S. economy "fundamentally sound."

"Caribou Barbie" Palin serves as a comely cheerleader to get Christian Zionist fundamentalism behind the ticket. She is a member of an aggressive right-wing Christian cult known as "Joel's Army," an offshoot of Dominionism, which says that in the "end times" they will "rise up and battle evil and retake the earth for God." (Bruce Wilson, Sarah Palin's Churches and the New Wave Apostolic Reformation, www.endtimespropheticwords.wordpress.com.)

The Religious Right gives the impression of frightened and ignorant people whose angst is being diverted toward political extremism by unscrupulous preachers who are being paid off by the financier-corporate elite so their flocks will not take a hard look at the financial system which is driving them toward poverty. German psychoanalyst Wilhelm Reich captured some of the flavor of this phenomenon during Hitler's rise to power in his famous book, *The Mass Psychology of Fascism*.

Palin has spoken casually of war with Russia as a real possibility. The Republican party platform is heavily oriented toward preemptive and aggressive war. The fact that a huge segment of the U.S. economy makes its living off military spending obviously predisposes a large number of voters to select the candidates who seem to provide them with job security.

There are people in my family who work for military contractors and believe that only under a Republican regime will they have jobs. Also supporting McCain/Palin are the beneficiaries of "Big Oil," since they would gain substantial tax breaks under McCain's proposals.

In a column titled "Blizzard of Lies," New York Times columnist Paul Krugman writes that the Republicans are running the most blatantly dishonest campaign in history: "What it says, I'd argue, is that the Obama campaign is wrong to suggest that a McCain-Palin administration would just be a continuation of Bush-Cheney. If the way John McCain and Sarah Palin are campaigning is any indication, it would be much, much worse."

Democrat Barack Obama, far from being the peace candidate he seemed to be early in his election bid, when he said he opposed the Iraq War from the start, has clarified his position to mean that he opposed that war because we should have been focusing our military efforts more on Afghanistan and Pakistan.

Obama accepts permanent bases in Iraq, so has bought into the George W. Bush policy of U.S. military conquest of the Middle East. He has thereby lost much support and enthusiasm among the progressives who typically vote Democratic.

He also said, in accepting the Democratic Party nomination for president, that he would “truly stand up for Georgia ” and “curb Russian aggression.” Vice-presidential candidate Joe Biden referred in his speech to “ Russia ‘s challenge to the free and democratic country of Georgia .”

These positions, which justify thoroughly documented U.S. aggression, misjudgment, and falsehoods in the Georgia debacle, are utterly irresponsible. Though Obama and Biden do not seem to be as pathologically attached to warfare as McCain/Palin, their passive acquiescence to the imperatives of a foreign policy based on armed world conflict could just as easily lead to World War III.

Obama-Biden appear to be the candidates most favored by the U.S. establishment elite, headed by the New York financial circles that provided the backbone of the Democratic Leadership Council which put Bill Clinton into office.

The Clinton economic recovery of the 1990s was based on a huge influx of foreign capital that inflated the dot.com bubble. That opportunity does not exist for Obama, who wants to apply some progressive band-aids, like tax cuts for the middle class, to a hemorrhaging economy that is overwhelmed by bankruptcies, foreclosures, and lost jobs.

The response of the so-called Third Party candidates, including Ralph Nader, has been strident but fragmented.

Nader has come to constitute America ‘s “official opposition.” In 2000 he served the purposes of the Radical Right by drawing off enough votes from Al Gore to make the designation of George W. Bush by the Supreme Court a possibility.

Nader has not really gotten beyond complaining about corporate corruption, though he has recently come out in favor of an assessment of the Federal Reserve System and a new 9/11 investigation. But he has never seemed to understand or strongly question the underpinnings of the debt-based monetary system as the cause that drives our nation to bankruptcy at home and war abroad.

With all due respect to Dr. Ron Paul, who has led the way in criticizing the Federal Reserve, his solution to our economic ills of letting the Libertarian faithful use gold and silver for money while anyone else who wants to do so can continue to use Federal Reserve Notes, is a ludicrous suggestion for managing an industrial economy. (Dr. Ron Paul, *The Revolution: A Manifesto*, 2008.)

Running for president for the Libertarian Party is former Georgia Congressman Bob Barr. Barr recently asked Ron Paul to run as his vice-presidential candidate though Paul has refused this invitation in the past. Unfortunately, the Libertarians’ anti-government message is not much more than a prescription for anarchy.

It comes at a time when the failure of government to work on behalf of the people rather than the corporate and financial controllers is clearly the real problem. Government has an essential role to play in assuring prosperity and fairness, which Libertarianism is ideologically incapable of addressing.

The Green Party, while having a progressive platform that includes monetary reform, has never presented a practical and coherent strategy for redirecting the economy, Its

presidential candidate, Cynthia McKinney, will not gather more than a handful of votes. The Green Party has never had the leadership and credibility at the national level to make an impact.

There are a number of other parties that may attract a few voters, including the Progressives, the Socialists, and the Constitution Party, which may have excellent ideas but little effective following. Past reform movements such as the Reform Party, Common Cause, etc., had a temporary impact, especially when Ross Perot ran in 1992 as the Reform Party candidate, but no staying power.

Lyndon LaRouche, as usual, says he is running for president, but he is in his 80s and is advocating as a main platform plank that the Federal Reserve raise interest rates. LaRouche, for all the good he has done in exposing the control of the financiers over the world political and economic system, is still a central bank advocate. He is a self-admitted "New Hampshire Whig" in the tradition of Alexander Hamilton, who started the U.S. on its trajectory of out-of-control debt over two centuries ago.

Of course the laws and traditions of the U.S. strongly favor a two-party system, and Third Parties have never had a chance at mainstream media coverage. This does not mean that a new political party with grassroots support could not emerge where others have failed.

But all the Third Parties have a fundamental problem in that real reform must move from the top down as well as from the bottom up. Certainly what the present system lacks is a voice for the people. But throughout world history such a voice has been most effective when spoken by strong leaders, who join with the people to fight against the oligarchs who would take away their freedom.

Strong presidents like Thomas Jefferson, Abraham Lincoln, and Franklin D. Roosevelt governed on this pattern, which was why, after Roosevelt died, a constitutional amendment limited the number of terms a president could serve to two.

Another such pattern occurred in Tsarist Russia. Contrary to decades of Western pro-communist propaganda that portrayed Russia's pre-Revolution peasantry as downtrodden, that country had a tradition of an autocratic czar working against the Russian oligarchs in favor of the peasant class. Actually the Bolshevik Revolution succeeded because of the stresses of war and because Lenin and Trotsky had money provided them by the Western financiers. The financiers saw business opportunities through confiscating the money the Tsar had on deposit in the Rothschild banks and in action by the Rockefellers in taking over the Baku oil fields.

The pattern of the strong leader battling the oligarchs is also being followed by Vladimir Putin in Russia today. This is why he has such a high approval rating in the Russian public opinion polls and why he is hated so much by the Western financier press.

A good example is the recent deeply dishonest anti-Putin screed in Vanity Fair, entitled "Dead Soul." Actually, most of the democracy-loving Russian businessmen which the Western press blames Putin for oppressing are little more than gangsters.

The same phenomenon of a strong, popular anti-oligarch leader can be seen in Venezuela with Hugo Chavez. What we need in the U.S. today is a strong president, someone like Putin or Chavez, who will do battle with the financial and corporate elite in order to take back the

freedoms of the people. The first of the freedoms which must be addressed is real income security, not freedom to go ever deeper into debt to purchase the necessities of life or freedom to scrounge desperately for a job that may or may not pay a living wage.

A political party that could bring about real reform must be organized from the top down in order to meet the appeal for justice and humanity that is coming today from the bottom up. Such a party can only be organized by individuals from the American leadership class, including experienced corporate, military, intelligence, academic, and political figures who understand and are truly disgusted by what is coming out of the existing political parties.

Over the last several decades the financial controllers have worked through their minions in the intelligence and police agencies to eliminate or marginalize such leaders. It's why JFK, MLK, RFK, Paul Wellstone, and JFK, Jr., were gotten rid of. It's why the remaining New Deal Democrats in Congress were purged in the 1970s. Key to the New World Order strategy is to assure that no strong leader who cares about the interests of ordinary people ever takes power, or, if any do, they are rendered helpless to govern.

Certainly Bill Clinton had populist leanings. But he was harassed throughout his two terms by special prosecutor Kenneth Starr, the Republicans in Congress who impeached him, and the European controllers who unleashed NATO against Yugoslavia with U.S. forces that Clinton had little control over.

Hillary Clinton was the favorite of the working class in the 2008 Democratic primaries, but she was fiercely attacked by the media who seemed to be a deciding factor in influencing the superdelegates to hand the nomination to Obama.

Today, if any genuine populists still exist among the American ruling class they must come forward now, because their country is being destroyed. They know very well that grassroots movements without top down support will be murdered in the cradle.

Any political party that seeks to make a difference must have a strong nationalistic orientation and be dedicated to reforming the nation by replacing the power of the global financial elite with a party based on the welfare of the people as expressed by the Declaration of Independence and the Constitution.

This movement could either be one that takes over the existing Democratic Party or a new party that combines the appeal of the Third Parties with a new element of elite support. The platform of such an American Nationalist Party could represent real "change" and should include such features as the following:

Nationalize the bankrupt U.S. monetary, financial, and banking system. Nationalize the energy industry, including oil. Place the U.S. national debt under bankruptcy reorganization. Institute an immediate annual citizens' dividend, similar to the Alaska Permanent Fund, of \$12,000 per legal adult resident and \$4,000 per child. These four elements alone would constitute a Second American Revolution. Of course some would call this a socialist agenda and oppose it solely on those grounds. But the fact is that any modern industrial economy must be a mixture of public and private sector activity. And it must be done if the U.S. economy is to be saved.

What we have today with unbridled finance capitalism is not a free economy at all. It is one where the rich own the government, privatize resources and utilities that should be part of

the societal commons, pay with bribes and campaign contributions to get the political leadership they want, and put ordinary people increasingly into debt and poverty.

Under a program with a nationalistic agenda, the money supply would be issued by the government through payments for services, infrastructure financing, and a citizens' dividend. The energy industry should be nationalized, because every public and private activity depends on energy for its functioning.

This agenda would address the number one economic problem that faces the the U.S. today. This is the wholesale collapse of consumer purchasing power due to the fact that in an industrial economy earned income is always insufficient to match the prices of production. The main reason is that prices must include enough savings—retained earnings—for technological innovation to counter the rate at which resources are used up. A secondary problem is the export of millions of well-paying manufacturing jobs overseas and the destruction of labor unions as a political force.

This conundrum of an endemic gap between prices and purchasing power was identified decades ago by the British Social Credit movement which understood that the gap could be filled by monetizing savings through a citizens' dividend. Instead this gap is filled by bank lending, which is the underlying cause of the gigantic debt pyramid that is destroying the U.S. economy.

The one political party which today has identified this problem and has a platform to meet it is not a U.S. party. It is the Democratic Party for Social Credit of New Zealand. (See www.democrats.org.nz.)

The party platform states: "Development of modern banking has resulted in nations losing the power to issue most of their own money. The present economic system, worldwide, is based on debt" Among its platform provisions are:

A social credit economy based on a citizens' dividend and consumer price subsidies; A guaranteed basic income regardless of employment status; Grants and interest-free loans for public works and community projects; A strong public health system; Fair regulations and reduced compliance costs for business; A fair tax system based on a financial transactions tax; Publicly-funded education with no student loans; Full public ownership of strategic assets; and A national program of public housing. If the U.S. adopted these policies, along with national single-payer health insurance and public financing of all federal, state, and local elections, an entirely new type of economic and monetary system would come into existence. It would be a system that would eliminate the need for the U.S. to cover up its economic and financial failures through foreign conquests. The following measures could then be taken:

Begin negotiations with Russia for a full-spectrum economic, military, and cultural alliance. Freeze all U.S. military combat activity overseas until withdrawals can be negotiated. Outlaw all acts of undeclared covert warfare by U.S. intelligence agencies. Such policy changes as the foregoing would be a real prescription for "change" in the 2008 presidential election. The fact that these are not likely to happen shows the desperation of the present situation, the paralysis of the U.S. political system, and the failure of those running for office. Consequently, individuals and groups who understand what is going on must take action now to protect themselves in the face of chaos that can only get worse.

*Richard C. Cook is a former U.S. federal government analyst, whose career included service with the U.S. Civil Service Commission, the Food and Drug Administration, the Carter White House, NASA, and the U.S. Treasury Department. His articles on economics, politics, and space policy have appeared in numerous websites and print magazines. His book on monetary reform, entitled *We Hold These Truths: The Hope of Monetary Reform*, will soon be published. He is the author of *Challenger Revealed: An Insider's Account of How the Reagan Administration Caused the Greatest Tragedy of the Space Age*, called by one reviewer, "the most important spaceflight book of the last twenty years." His website is www.richardccook.com. Comments or requests to be added to his mailing list, or for information on his Special Report entitled "Election 08: Crime Family Food Fight or Threat to Mankind?" write EconomicSanity@gmail.com.*

The original source of this article is Global Research
Copyright © [Richard C. Cook](#), Global Research, 2008

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Richard C. Cook](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca