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CONTENTS

EDITORIAL

THE EMPTY MANDATE

THE “CANCER STAGE OF CAPITALISM”: THE TEN-POINT GLOBAL PARADIGM REVOLUTION

Prof. John McMurtry; Global Research

SEDATION BY SOUND-BITE

Julian Rose; Activist Post

COMMON PURPOSE

UK Column/ British Constitution Group Newsletter

UNIVERSAL HEALTHCARE: THE AFFORDABLE DREAM

Amartya Sen; the Guardian; via Nathan Allonby

GOVERNMENT SURVEILLANCE: A GREATER THREAT THAN TERRORISM

Ted Baumann; Activist Post

FINGERPRINTS CAN BE REPRODUCED FROM PUBLICLY AVAILABLE PHOTOS

Kif Leswing; Gigaom Research; via Activist Post

WEB IS BECOMING 'LESS FREE AND MORE UNEQUAL', WARNS SIR TIM BERNERS-LEE

Dan Worth; V3; via Critical Thinking

TEACHING ECONOMICS AFTER THE CRASH

BBC Economics Show; Radio 4; Tony Gosling; via Inquiring Minds

EU SHOWDOWN: GREECE TAKES ON THE VAMPIRE SQUID

Ellen Brown, Web of Debt

THE EU'S GIANT AND SECRETIVE DEREGULATION BLITZ

Linda Kaucher; Our Kingdom; via Critical Thinking

OIL FALLS BELOW \$50 AS GLOBAL FINANCIAL MARKETS BEGIN TO UNRAVEL

Michael Snyder; Activist Post

SO YOU THOUGHT ONLY GOLD AND SILVER PRICES WERE RIGGED? (AND FOREX, AND LIBOR ...)

Everett Millman; Coinweek; via Activist Post

EDITORIAL

THE EMPTY MANDATE

The last editorial focussed on the failure of the Hong Kong 'umbrella' movement, as an exemplar of a number of such failures around the world in the past four or five years. The underlying notion behind such 'Occupy' or 'colour revolution' movements ... that a national 'critical mass' capable of overthrowing deeply rooted and long-standing major centres of economic and political power ... can be achieved within weeks and from a very small organising base, has proved, not unsurprisingly, an illusion. Viewed in sober retrospect such ideas were always wildly optimistic to the point of absurdity.

Real levels of public support for such movements was always much less than the organisers expected or to which they felt entitled.

The underlying analysis was simple and utterly correct. We are now fast approaching a situation where less than 1% of the world's population control half of the wealth ... a situation of decadent absurdity. Such inequality is unsustainable, untenable, and ... above all ... profoundly unjust.

But having established that 'the 1%' are very much the problem, a central question then emerges. By what right do the organisers of such movements, typically very small numbers of people, perhaps only a few dozen or so in a nation of many millions, speak for the '99%'?

Politicians habitually speak of 'the nation', 'people', or 'the people' as if this were some undifferentiated, homogenous mass, possessed of a single mind, as if 'the people' were a single fluid existing in some universal pipeline, or which can be purchased in bottles from a supermarket shelf.

In an important sense that is forgivable. Given the generalising mechanism of the human mind ... indeed the only way our minds can cope with and understand our existence ... it is the easiest thing in the world to slip into such talk.

That said, it is crucial to understand that to put oneself up as the tribune, voice, or embodiment of 'the people' has been the stock-in-trade of every tyrant since at least Augustus Caesar.

Who are 'the People'?

Now we have at least a small rash of 'people's initiatives', 'people's parliaments' or 'people's charters'. The problem is that 99% of 'the people' are unaware of the existence of such initiatives. So who actually are 'the people'?

To meet, to think, to debate, to explore is very laudable. But when a coterie of organisers ... again it must be emphasised a minuscule number as a proportion of the population at large, and who have mostly never canvassed so much as a single doorstep in their lives ... claim to do so in the name of 'the people', it is time to step back and take a hard look at what might actually be happening.

For a mandate is being claimed which does not actually exist. Such a mandate has never been either sought nor granted. It is a false mandate and thus an empty one. So we must not, therefore, be too surprised when 'the people' fail to respond to any summons to the barricades! They were never actually consulted!

Orwell was not the only writer ever to point out that the words used are often the opposite or inverse of what is intended. Very often the laudable objective acts as the Trojan Horse for the control agenda. Whilst the declared intention of those who claim to speak for 'the people' may be democratic, the underlying intention is so often profoundly elitist.

Too often political activists have an excessive regard for themselves, as a cut above the 'people' for whom they claim to speak. As a result there is little, in any, engagement with the ordinary public. Often there is disdain for the peasantry, the hoi poloi.

The hard, often remorseless, slog of going from door to door, clipboard in hand on cold rainy evenings is unappealing to many 'activists' who prefer to comfort of endless small meetings and email exchanges and the predictability of occasional pea-whistle blowing sessions in the streets.

Too often there is the abiding fear that by slumming it on the real doorsteps of real people, the responses might not accord to the pre-ordained script. Those who yap on much about 'democracy', 'localism' and 'empowerment' are often the first to fear, and perhaps be in holy terror, of what they wish for.

Time and again these editorials have focussed on the acute need to get the message out onto the doorsteps, into the workplaces, clubs and pubs, into the local market places and across garden fences. We must awaken a great mass to the false narratives of neoliberal globalisation and the status quo, and then move from protest to resistance. That can only be accomplished by a strong local on-the-ground organisational network.

Mandates cannot and must be claimed by decree. Mandates can only be earned, and earned often by much hard work and frequent disappointment, by going out onto the doorsteps and by building that critical mass brick-be-brick from the bottom up. The 'people' have to be fully engaged, warts and all. There is no other way.

Frank Taylor

“Injustice anywhere is a threat to justice everywhere”

“Darkness cannot drive out darkness; only Light can do that. Hate cannot drive out Hate; only Love can do that.”

Martin Luther King Jr; thanks to BCG Bulletin.

THE “CANCER STAGE OF CAPITALISM”: THE TEN-POINT GLOBAL PARADIGM REVOLUTION

Prof. John McMurtry; Global Research

Url of this article: <http://www.globalresearch.ca/the-cancer-stage-of-capitalism-the-ten-point-global-paradigm-revolution/5422537>

(As an analysis of all that is wrong, this item is almost a tour-de-force. As an antidote it is, at best, enigmatic, at worst offers little. For example, what is the 'life capital' value of a television set as compared to a bag of potatoes, or a set of table crockery as against a restaurant meal? There is only a very vague germ of an idea and little more as to how 'life capital' could offer any practical means of creating exchange value - Ed)

As we enter 2015, the global corporate system deepens and spreads in its eco-genocidal effects. But the dots are not joined in their common cause across domains. Money-value coordinates like GDP, commodity productivity and stock market indexes are still adopted as the measures of “economic performance” rather than life capital development which is systemically attacked rather than advanced.

More than any prior stage of history, we know not what we are doing at that macro level of life organization, nor why no uptick of sales can remotely solve the problem of collapsing social and natural life support systems. Greece – the world’s emblem of the sacrifice of society to debt servicing – is now 45% more in debt than it was before the “austerity” programs started. Global social and ecological collapse proceed in lock-step with the ruling paradigm’s transnational corporate and bank prescriptions, and they increase in their demands the more they fail to provide for societies life needs and development.

Fatal mind blocks now rule that no economists see from within received models of understanding and that no cognitive science lays bare. Unconnected spectacles of crisis are alone reported. Obviously, no recovery from the most wasteful and destructive economic disorder in history is possible so long as it is unseen. This is why we continue over the long cliff of catastrophe without an evident clue of what is happening at the macro level. As another new year opens with all degenerate trends deepening, a point-by-point resetting of our economic parameters to life reality is more than ever demanded. The fatally absurd economic box within which we have been conditioned to conform at a preconscious level remains life-blind at every step without knowledge of it.

Every one of the 10 points of re-framing the economy to life coherence is self-evident once seen. But every step is also revolutionary in paradigm shift from money-capital sequence to life-capital sequence as primary system decider. Once our thought is freed from the bars of the eco-genocidal disorder that now misrules, no step can be reasonably denied.

1. The One-Way Eco-Genocidal Trends

The evidence is now overwhelming that life on earth is in systematic decline towards collapse on all levels. But the meaning is nowhere recognized by any economic model. We have come to know that the climates destabilize to ever greater extremes, but do not connect this long denied reality to the deeper macro facts that the air, soil, forests and water sources are all cumulatively despoiled across the planet as the oceans themselves die back. Vertebrate species simultaneously become extinct at a spasm rate across cultures and continents, but no macro policy arrests their one-way collapse from song birds to coral reefs to pollinators to

large animals all at once. Pollution cycles and volumes increase to endanger life systems at all levels, but no global system reduction has been made since the Ozone protocol over 25 years ago.

All the while, public sectors, services and regulators are defunded and dismantled to leave ever more tens of millions of people dispossessed, but tax evasion by the rich multiplies at the same time in one-way disastrous trend. The global food system produces more disabling and contaminated junk than it does food with nutritional value, while man-made non-contagious diseases from obesity to cancer escalate into the world's biggest killer. Corporate state wars for the resources of the majority world never stop under false pretexts, while transnational corporate-rights treaties to the life capital of all societies multiply at the same time. At the core of the system, the global financial system ceases to function for productive investment in life goods, while the future of the next generations collapses towards 25-50% real unemployment, and a world where no birds sing. Yet nowhere is the common cause investigated or even conceived in the business press, education or high theory.

2. The Moral DNA of the Cancer Stage of Capitalism

In fact, the underlying value code driving every degenerate trend is never defined. It is, rather, assumed without question or examination and set into mathematical disconnect as the sole meaning of economic inquiry. Bertrand Russell's warning here is apposite. "Mathematics may be defined as the subject where we never know what we are talking about, nor whether what we say is true". The co-author of Principia Mathematica thus nailed "neo-classical economics" over a century ago. Yet no-one knew what it would come to mean. An academically coded corporate rule in a completely life-blind "Economics" was instituted with its assumption drivers hidden in symbols and closed to disconfirmation by facts. Behind all the self-referential hocus-pocus incapable of predicting its predictable disasters, a ruling value code crystallized to drive the world to ruin with no-one knowing why. This moral DNA of globalization regulates beneath consciousness by four absolute equations assumed in every moment of what is now still masked as "the neo-liberal turn".

Rationality = Self-Maximizing Choice

= Always More Money-Value for Self is Good

= Self-Multiplying Sequences of Ever More Money to the Top Under 1%

= the Ruling Growth System with No Committed Life Functions

= All Else is Disposable Means to this Multiplying Pathogenic Growth

One can test this ruling moral meta program on every degenerate trend. But because it is not seen, the greatest of all fatal confusions comes to be built into societies' ruling meaning: that money-sequence growth = life value growth. No more malignant mutation of value and meaning has ever occurred. As on the micro level where the surrounding cell community does not recognise the multiplying gross cells eating the life-host alive, so too on the macro social level. Leading the mutant tides of hollowing-out dispossession and ruin of social and ecological life hosts is a private bank system creating tidal notes of bets, credit and debt without legal tender, and partnering with transnational corporations in predation of local economies across the world. It loots life and life bases as 'necessary reforms' everywhere it is allowed to move.

This is why there is not inflation while trillions of new dollars are printed for private banking operations with no life productive function. Endless slashing of life goods in wages, benefits, social security and environmental security take corresponding tides of money demand away from people's lives and life support systems as money-demand powers multiply to the non-producing top. One can track back every step to the ruling value code at work that is taboo to see.

3. Contemporary Economics is a Pseudo-Science

None of this can be seen by 'Economics' because it is a pseudo-science. Its ruling categories are disconnected from reality with no life coordinates, and its defining postulates are unfalsifiable by any facts of the world. All organic, social and ecological life requirements are assumed away a-priori. Infinite demand on finite resources is presupposed as sustainable. Reversibility of all processes is taken for granted in a nineteenth-century liquid mechanics model. Consequences follow in the long run that are predictably fatal to human and planetary life organisation.

Yet whatever does not fit this a-priori life-blind construction is heretical in graduate schools supplying economic advisers to governments and corporations, and taboo in the corporate press and media to the extent of its contradiction. It is not only a mechanical model, but is absurdly "freedom" and "well-being at the same time. Whatever deviates from it, conversely, is "irrational" or "despotic". At the system-wide level of ruling story, the plot is universal for all societies. Purely self-maximizing atomic selves in the market are believed to necessitate the best of possible worlds by an invisible hand of competition ensuring lowest money costs. Life costs do not compute, and "economic growth" is consistent with destroying all life support systems.

We find here, in fact, the underlying form of a fanatic religion. Supra-human laws dictate commands across peoples, and no deadly consequences diminish certitude in its production of the optimal state for all by the perfect design of the system. With the supreme conceit of a just-so story of dyadic market exchange producing the best of possible worlds multiplied to infinity with no possibility of being wrong, we find the inner logic of the global disorder. It rules as a totalitarian creed blind to all but its own growth free of any life value, standard or regulator.

4. Knowledge Wins in the End, but Not Until It is Known

Societies have thus been everywhere 'restructured' as subordinate functions to the inexorable transformation of humanity and the world into ever more private commodities and profits. This mutant value system is malignant to the marrow with no consciousness of its derangement or ill consequences. It is taboo to recognize what is everywhere confirmed – deregulated borderless money sequences multiplying themselves by life-blind models, treaties and wars through all that exists on earth whatever their destruction of human and ecological life systems.

Alarm at the growing deadly symptoms increases across thoughtful people, but without decoding connection. Top-down embargo on any other economic view or reality – including by NATO wars – suppresses alternative at every level. Policies of 'solution' only extend the pathogenic system further. Even as the reversal of life evolution on earth becomes undeniable under the global rule of private money-sequence multiplication, life-coherent restructuring is anathema and prohibited a-priori by the unexamined value system. It all seems hopeless, but knowledge wins in the end if not suffocated. Behind every step of degeneration lie failures of social knowledge:

- (1) failure to diagnose the regulating value mechanism at work;
- (2) failure to connect across the domains of life despoliation as predictable from the system's blind money-demand multiplications;
- (3) failure to define or demand any public policies against its despoiling and devouring life support systems with the public increasingly financing the out-of-control feeding cycles;
- (4) failure to recognise any life-value principle or ground of the real economy itself.

5. Re-Grounding in Real Capital and Goods, True Supply and Demand

The failure to recognise the life ground and processes of "the economy" is built into the

ruling paradigm in principle. As in the prior ruling religion, disconnection of categories and system from empirical reality and life needs rules out disbelief. But disconnect is in the name of “science” and “the invisible hand” rather than “God’s commands” and “divine design”. Adam Smith the founder of modern economics was a Deist, but doctrinal abdication of life ground and reality became totalized in so-called “neo-classical economics” which displaces the class divisions of classical economics and the possibility of any alternative social order.

Thus an absurd metaphysics comes to rule which cannot be decoded because its first principles and axioms are a-priori dictates not subject to critical examination. The first principle of this life-blind economics begins by disconnection from all life requirements, grounds and needs – thus mutating the economy’s provision of otherwise scarce material life goods into an opposite meaning where life goods and life capital do not exist. Capital is assumed as private money-sequences multiplying themselves with life capital blinkered out. Private commodities are assumed to be ‘goods’ although they are in fact increasingly bads for organic, social and ecological life hosts.

The ‘laws of supply and demand’ are simultaneously reduced to self-maximizing private money exchanges indifferent to the real economy of providing life goods otherwise in short supply. Demand is not need or necessity as in any real economy. It is money demand minted by private banks without the legal tender to back over 97% of it: which is ever more unequally held by those serving no productive function, and which nowhere today stands for any life need whatever. The fatal metaphysic built into first principles does not end here. ‘Supply’ is not the life goods people need to survive and flourish, but increasingly the opposite – ever more priced commodities for profit now promoting ever more human and ecological ill-being across the world. Capital is not life wealth that can produce more life wealth without loss, but increasing transnational private money sequences hollowing out life capital on every plane.

6. Knowing Good from Bad as the Baseline of Life-Coherent Economics

At the normative level of this doctrine, a ludicrous and fatal doctrine of freedom rules the war and peace of nations beneath consciousness of it. Freedom = freedom for private money demand only = in proportion to the amount controlled = ever less freedom for those with less of it = no right to life for those without it.

Sane people, in contrast, recognise that life value matters more, the more coherently inclusive in self and world the better. But this ultimately self-evident value ground has been reversed without recognition. People called ‘pro-life’ usurp women’s choice of how they live. Nations assume that ‘standard of living’ is measured by private money spent. ‘Life sciences’ sacrifice billions of animal lives a year for the private money-sequence gains of big corporations. Animal rights theory itself has no criterion to tell the life value of a slug from a person. ‘New and better technology’ is the ruling panacea, but no life-value standard exists to decide better from worse.

What then are we to ground in as life value that the real economy must provide? The objective standard and measure can be stated in three incisive steps:

(1) all value whatever is life value, (2) good versus bad equals the extent to which life is more coherently enabled versus disabled, by (3) greater/lesser ranges or capacities of thought, felt being and action through time.

This criterion of life value is no more a matter of opinion than people’s life necessities are. But what are these life needs that no economic paradigm – orthodox or revolutionary – defines? They are in every case that without which life capacities are reduced. Life capital, in turn, is that which produces and reproduces these life goods – from literacy and extending knowledge to the soil we grow in and air we breathe. The ruling value mechanism miscalled ‘the global economy’ is the opposite. It attacks life goods and capital everywhere as ‘externalities’ to its self-multiplying money-sequence and commodity cycles. But because such

growth is assumed to be growing life value, the greatest value reversal in history is unseen.

7. Life Capital Base and Growth as the Real Economy Across Cultures

The moving line of the war of liberation begins with what we are able to control, our own lives. Here we can recognise that every value we enjoy, lose or gain has a bottom line – its life capital, that is, the life wealth that produces more life wealth without loss and with cumulative gain. We defend it by life goods to ensure our life capacities are not reduced but grow through time. Most are unpriced – the sun and air, the learning, the home environment, the delight in nature, the play, the love, the raising of children, the fellow arts, and so on. On the social level, the same holds and any well-governed society provides for them in many ways. All may recognise the principle of life capital in their own lives as self-evident, and that all which lasts through time that is worthwhile is life capital. But life capital does not exist as a concept in received economics. It is ruled out a-priori by money capital, the social instrument made the lord without life function.

Addictive internalization is how the system disorder grows on. Knowledge of life goods and bads is how it is rooted out, the unrecognised through-line of human evolution. That is why we find we live far better without corporate-ad television, regular private gas-vehicle use, any junk food or beverage, any throwaway item, any new fashion or commodity not more life enabling than the old, any business with big private banks. The organizing principle is as old as the good life, but is forgotten. The life-capital code is not stated, but becomes ever clearer in our time: minimize market demand that disables life capacities to enable life capital to grow and flourish. This principle is unthinkable within the ruling thought system, but defines transformation to true economy and life emancipation on earth. It liberates life wherever it moves.

The underlying turning point is as old as human evolution itself. Every human advance is by knowing what enables life through time from what does not. Collective life advance is transmitting this life-and-death knowledge across selves and generations. The life capital code holds across cultures. Life goods are always that without which life capacities decline and die. All real needs, all real demand, all real supply, and all real economics are known by this criterion. The lost line between good and evil is found in this principle, and so too human freedom and well-being.

We can define the meaning more concretely as follows Every human life suffers and degenerates towards disease and death without breathable and unpolluted air, clean water and waste cycles, nourishing food and drink, protective living space, supportive love, healthcare when needed, a life-coherent environment, symbolic interaction, and meaningful work to perform. All are measurable in sufficiency across cases. All are now degraded, polluted or perverted by the self-multiplying money-capital system defined above.

8. Collective Life Capital the Missing Link across Divisions

Collective life capital is the long-missing principle of the common interest and collective agency. The life capital code goes deeper than gender, culture or individual differences, and includes past as well as future generations by definition. It is objective, impartial, and universally applicable. It is the ultimate regulator of the economic principles of efficiency, productivity and development. It grounds political legitimacy and supersedes ruinous man-nature, economy-environment splits and individual-social conflicts of interest. By its regulation, freedom is made responsible to its own conditions of possibility. Life capital defines an inner logic of life value which cannot in principle go wrong within or beyond economics.

Collective life capital is the missing common ground and measure across the lines of death itself. It is the this-worldly bridging concept across the impasse of global culture wars, economy-versus-environment thinking, present-versus-future interests, male versus female

conflicts, and all other warring dichotomies wrenching us from our shared life ground beneath property lines and the mors immortalis of reality on earth.

The difference from received ultimate principles of value across time and theories is in the objective precision of meaning and direction when value judgement and decision are governed by its laws of: (1) life value regulator from start to finish, (2) production of more life value capacity through generational time, (3) life-value measure to tell greater from lesser in any domain by margins of capacity loss or gain, (4) cumulative life gain as the organizing goal of the process throughout, and (5) the meta principle: the more coherently inclusive any decision or action is in enabling life capacities, the better it always is for the world.

9. The Life-and-Death War of the World

In fact, the global corporate commodity and money-sequence system usurps these life capital principles with impunity across continents, while captive corporate states increasingly subsidize, de-regulate, privatize and militarily enforce this life-blind rule over all ecological and human requirements and rights. But who sees the moving lines of the global life-and-death war?

Obviously a real economy would regulate for life capital conservation and advance with money sequences only as means – as is already is the case in a human way of life. Societies and individuals would transform to better lives if the paradigm revolution was enacted in their spheres of choice. Victory or loss in the war of the world lies as always in how we live. Knowledge of bads versus goods is always the inner logic of human evolution at individual and collective levels of action. It is the mark of being human, and begins in what we do not demand – for example, any new fashion or commodity not more life enabling than the old or the used.

The organizing principle of real economy is long anticipated by China's Tao-te Ching and the West's autarkia of human self-realization, and many prove it in their own lives. Minimal demand on short resources to enable maximum life capacities is the war of recovery on social as well as individual levels. While every corporate state now presses for ever more energy extraction and use with no limit of public and life costs at every imaginable level, the root of economic rationality – ration to need – is effectively taboo in official culture.

Once the life-capital system decider kicks in, the rules of selection for what compossibly enables rather than disables human and fellow life on earth become evident to reason and learning from mistakes – the ultimate incapacity of the now ruling global system. This is the transformation to true economy and life emancipation, and it can only proceed in accord with the life capital principle that holds across individual, social and environmental life hosts.

10. The Ultimate Choice Space of Humanity

Collective life capital is now fatally endangered on almost every plane across generational and ecological time. The common life interest has no meaning in the ruling global system because its sole law of growth is to multiply the very private commodities and money sequences without life function that mindlessly drive the end-game world disorder.

It follows that humanity's very provision for the universal human life necessities that have evolved over millennia are blinkered out by the life-blind value measures of what is miscalled 'the economy'. Everything that makes a society civilised or liveable is excluded from view – life-protective laws including sufficient minimum wages and environmental regulations, common water and sewage systems for all, free movement pathways and life spaces without cost to use, non-profit healthcare and disease-prevention by public institution, public income security from disemployment, old age and disability, primary to higher education without multiplying debts, family housing, food and life means assistance for children without sufficient parental money, and public libraries and arts facilities with accessible books, films and works of art and art creation. This is more or less a complete index of the collective life capital bases modern society has evolved, but all are dismantled by the global corporate

disorder to maximally profit from.

In truth, the organizing principles of common life interest and human agency cross the lines of death itself in the life capital code of value that steers any real economy in any place through generational time. It is the system-deciding choice all societies face without knowing it. History is the record of successes and failures at what still remains unconscious in economic thought. It is nowhere defined beyond slogan even in communism, and 'the public interest' has no life coordinates or ground in known modern politics across the spectrum. Yet life goods and life capital denote the only true economic necessity and growth – that without which human life capacities degrade and die. 'The economy' is not run by natural or divine laws, as the modern paradigm assumes. It is a social construction of binding rules which directs towards how we live better by what is not otherwise there.

The ruling value code fails more momentously in world waste and destruction than all other systems in history, but beneath recognition. Its built-in contempt for all life requirements and indifference to life ruin multiplies its demands across the planet in a fanaticism beyond ISIL in attacking life capital and goods with no committed life functions. Yet no economics yet allows the recognition of its predictably rising catastrophe through time as a global economic system.

The life capital economy is opposite in its regulating value logic. It grounds in common life capital and produces more of it by life measure as its goal and moral science. Its logic of value is not utopian, but the ultimate through-line of human development since language and cooperative provision of human means of life. It lives in all the civil commons we are made human by in the life security of a free humanity. It is invaded wherever its life capital and goods are turned into more private money demand, resource depletion and waste without limits – the moral cancer of the ruling system. The ultimate choice space of humanity and society lies in this unrecognised life and death meaning.

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SEDATION BY SOUND-BITE

Julian Rose; Activist Post

Millions upon millions of educated – and even aware people, all over the world, are succumbing to a new virus 'SBS', or 'Sound-Bite Syndrome'. Its symptoms are best described as an inability to concentrate on anything meaningful for anything other than a very short passage of time. To concentrate the mind so as to read something that requires a certain depth of thought or fuller cognisance, is becoming an endangered skill.

Now that is a truly shocking fact. One that should register high on the shocking fact ratio. It should jolt us all into recalling the vital role that genuine communication plays in the passing of essential knowledge and inspiration – including lyrical poetry and vivid prose.

For these great tools of consciousness raising to be corrupted into a thousand broken pieces of easily assimilated sound-bites, must constitute one of the most masterful silent weapons of destruction of the Illuminati war chest.

It's not just the children who grow up on a diet of sugary sweets, synthetic colouring agents and indigestible preservatives who can't concentrate on their school work; there are now great swathes of the population as a whole who need to have their reading matter served-up to them in the same manner as a fast food outlet doles out its instant processed meals.

What this does, is to put all the most valuable writings, be they literary, spiritual, historical or even scientific, out of reach of what amounts to the best part of an entire generation - particularly those growing up in the instant access era. Those who have become so pap fed with processed communication bites that their brains have shrunk. In such cases, certain regions of the neocortex, lacking stimulation and activity over an extended period of time, become virtually dead zones. Thus the

attention span required to absorb and reflect on a decent analytical video or a thoughtful blog, is literally inaccessible to exactly those who need it the most.

This plays into the hands of the fabricators of spin and slick advertising. It means that many remember an advert slogan more easily than that which is going on either side of it. Sound-bite syndrome, or 'attention deficit disorder' as it is known in the trade, is a disease ruthlessly exploited by corporate media exponents in all post-industrial cultures.

Tragically, it is the innocent minds of young children that are most easily infected. Dumped in front of the TV, video or video game app. By their dumbed down parents, they quickly absorb the tailored mind controlling ingredients on display. And it is questionable whether, after a number of years of this torture, they can ever fully recover the innocence of imagination that is crucial to the development of independent thought and creativity in later life.

Sedation by sound bite is, in particular, the superficial hallmark of much social media text messaging and aptly named 'tweeting' and 'twittering'. Too many are tweeting, twittering and frittering away their lives in cul-de-sacs of banal banter; and in the process, degrading an entire culture of mind skills that once lead to thoughtful, careful and reflective communication. That which draws upon the well of human insight and applies it with specific intent in order to convey the deeper emotions and concerns we all need to shape and share, every day of our lives.

The ever quickening pace of life in the 'profession conscious' fast lane of today's status quo is a subliminal death trap. The slower reflective process, which would ultimately temper and counteract the ever smaller and faster sub divisions of time that typify the ambitious socialite, are systematically pushed to one side by an essentially adrenalin-driven lifestyle.

The commitment to deep thought and a mulling-over of the pros and cons of what one is engaged in, are seen as an unnecessary intrusion on the all-important work and play ethos. An ethos, that when analysed, turns out to be a status quo led indoctrination commitment of the slave to his/her master. The master, in most cases, being 'the establishment'. The establishment, in turn, being the master control cabal whose empires expand in direct proportion to the degree to which the human brain shrinks.

It is particularly the children who become the sacrificial lambs in this modern-day slaughterhouse. And the parents, who thought their children were just nice little play things to keep them amused between various career options – they are simply the victims of their own blinkered vanities, of their unquestioned and self-serving ambitions. Irrevocably snared by the status quo, they actually believe themselves to be free!

Let us all beware. At almost any time any one of us can fall into this trap. If we have developed sufficient staying power on the road of consciousness, we can usually extract ourselves from this entanglement without too much damage – but few have fully overcome its seductive tentacles. We need to be ever watchful, not just for ourselves and our children, but for those close to us whom we witness falling. And this is tricky, because no one who believes themselves to be free – likes being told that they are not – however subtly it is put.

We need to guard our sacred language skills and give them their proper due. "In the beginning was the word" - and even if it wasn't – there is no doubt about the sacred nature of the word. There is no doubt about the extraordinary power (for good and evil) of the word.

Neither is there any doubt about the corruptibility of the word. And here one has to include death by subtle omission. Words, once normal parts of a colourful vernacular, go missing. They fail to appear on Internet dictionaries; then in ordinary ones. They appear in red on the computer spell check.

Before you know it, the entire foundation of the centuries long richness of language – is corrupted and undermined. And then, one day, all that will remain in common use will be a clone-like replica – George Orwell's 'news-speak'. Let that day never be. For we are as good as dead the day our words become simply the soulless and sterile symbols of banality.

Let us value that which has value and discard that which doesn't. Be careful, even with trivialities as 'R.U.OK?', 'Thanx' and 'gr8'. If we are seduced into a two-tier communication system for ease, convenience, speed, or whatever, we too may be complicit in degrading the full power of communication which is our special gift.

We too risk becoming party to the Illuminati's grand ambition to devalue all values and to sterilize, neuter and divide into sound and 'read bites' that which is profound, sensual, spiritually vital – and ultimately indivisible. We need to remember that all things sacred can only retain their sacred qualities when they are nurtured, honed and honoured on a daily basis. This requires the application of a certain sobriety and gravitas - an anchoring of the soul.

Julian is an early UK pioneer of organic farming, an author and international activist. His latest book 'In Defence of Life' is available at www.amazon.com and on Julian's website: www.julianrose.info

COMMON PURPOSE

UK Column/ British Constitution Group Newsletter

(Common Purpose is sometimes referred to as the 'Blairite freemasonry'. especially as traditional freemasonry has declined ... certainly in numbers, but also very likely in power and influence... in recent decades. One of Common Purpose's methods of self-propagation is thought to be by creating and then occupying highly paid sinecures within the public sector.

It has certainly been a principle driving force behind the so-called 'third sector'. This comprises complex networks of Common Purpose backed charities, 'partnerships', and 'initiatives', connected by Common Purpose 'graduates' and which blur and evade the normal mechanisms of democratic accountability.

Common Purpose is thus widely thought to have been one of the prime driving forces behind the huge escalation in the administrative costs of the NHS and other public services since the 1990's - Ed)

Common Purpose (CP) is a Charity, based in Great Britain, which creates 'Future Leaders' of society. CP selects individuals and 'trains' them to learn how society works, who 'pulls the levers of power' and how CP 'graduates' can use this knowledge to lead 'Outside Authority'.

Children, teenagers and adults have their prejudices removed. Graduates are 'empowered' to become 'Leaders' and work in 'partnership' with other CP graduates. CP claims to have trained some 30,000 adult graduates in UK and changed the lives of some 80,000 people, including schoolchildren and young people.

But evidence shows that Common Purpose is rather more than a Charity 'empowering' people and communities'. In fact, CP is an elitest pro-EU political organisation helping to replace democracy in UK, and worldwide, with CP chosen 'elite' leaders. In truth, their hidden networks and political objectives are undermining and destroying our democratic society and are threatening 'free will' in adults, teenagers and children. Their work is funded by public money and big business, including international banks.

It is important for researchers on this site to realise that the majority of Common Purpose 'graduates' are victims, who have little if any understanding of the wider role of Common Purpose within UK society, nor of its connections to higher government and the European Union. Drawn into CP training by a flattering invitation, or selected by their company or organisation, this recruitment is normally carried out by a previously trained CP person - now recruiting for the cause. Candidates are screened and selected (or rejected) by CP Advisory Board members in their area.

Both candidates and 'trained graduates' will have no real understanding of Common Purpose's wider role to help achieve a political and social paradigm shift in the UK. The real objective, would appear to be to replace our traditional UK democracy with the new regime of the EU superstate.

By blurring the boundaries between people, professions, public and private sectors, responsibility and accountability, CP encourages graduates to believe that as new selected leaders, CP graduates can work together, outside of the established political and social structures, to achieve this paradigm shift or CHANGE. The so called "Leading Outside Authority". In doing so, the allegiance of the individual becomes 're-framed' on CP colleagues and their network.

Using behavioural and experiential learning techniques, the views of graduates can be re-moulded to conform to the new Common Purpose. Most will not be aware this has happened, but we are given immediate clues in descriptions by graduates that Common Purpose training

is 'life changing', 'disturbing, or 'unsettling'. Trained and operating under the Chatham House rules of secrecy (details of discussion, those present and location are not disclosed), CP graduates come to operate in 'their world' of Common Purpose.

The term 'Graduate' is used deliberately so as to prevent disclosure of involvement with Common Purpose. As 'members' of CP, which is more appropriate, individuals in the public sector would have to declare their interests. So strong is the Common Purpose bond, that some individuals will lie to hide information and documents considered 'dangerous' to the CP cause. People challenging CP colleagues have been victimised and forced out of their positions.

Common Purpose is a Charity based in Great Britain, which creates 'Future Leaders' of society. CP selects individuals and "trains" them to learn how society works, who pulls the "levers of power" and how CP "graduates" can use this knowledge to lead "Outside Authority".

Common Purpose is linked to a host of other suspect trusts, foundations, think-tanks, quangos and so called charities. Demos is a key example. These organisations funnel political and social change policy through CP, to reframe graduates. Examples range from promotion of diversity in every company and organisation, to curfews for young people.

Common Purpose promotes the 'empowerment of individuals', except where individuals challenge the activities of CP, and public spending on CP. These people are branded vexatious, extremist, right wing or mentally unsound. Mrs Julia Middleton, the Chief Executive of Common Purpose, praises the work of German bankers. Deutsche Bank is, of course, a major power behind Common Purpose. Mrs Middleton, earning circa £80,000 p.a. from her charity, is also very happy to promote the term 'Useful Idiots' in her book 'Beyond Authority'. Are we the General Public the useful idiots, or are the Elitest Common Purpose Graduates? You must decide.

Common Purpose is a political charity using Behavioural Modification

To find out more evidence about common Purpose please go to www.cpexposed.com. Here you can see diagrams of the CP Network and a Map of Geographical Penetration of UK. The Document Library contains documents, letters and emails as evidence of Common Purpose at work. The library is regularly updated.

UNIVERSAL HEALTHCARE: THE AFFORDABLE DREAM

Amartya Sen; the Guardian; via Nathan Allonby

(The Runnymede Gazette does not often cover specific issues such as healthcare, but this item has wider ramifications - Ed)

Universal healthcare is often presented as an idealistic goal that remains out of reach for all but the richest nations. That's not the case, writes Amartya Sen. Look at what has been achieved in Rwanda, Thailand and Bangladesh

Twenty-five hundred years ago, the young Gautama Buddha left his princely home, in the foothills of the Himalayas, in a state of agitation and agony. What was he so distressed about? We learn from his biography that he was moved in particular by seeing the penalties of ill health – by the sight of mortality (a dead body being taken to cremation), morbidity (a person severely afflicted by illness), and disability (a person reduced and ravaged by unaided old age). Health has been a primary concern of human beings throughout history. It should, therefore, come as no surprise that healthcare for all – “universal healthcare” (UHC) – has been a highly appealing social objective in most countries in the world, even in those that have not got very far in actually providing it.

The usual reason given for not attempting to provide universal healthcare in a country is poverty. The United States, which can certainly afford to provide healthcare at quite a high level for all Americans, is exceptional in terms of the popularity of the view that any kind of public establishment of

universal healthcare must somehow involve unacceptable intrusions into private life. There is considerable political complexity in the resistance to UHC in the US, often led by medical business and fed by ideologues who want “the government to be out of our lives”, and also in the systematic cultivation of a deep suspicion of any kind of national health service, as is standard in Europe (“socialised medicine” is now a term of horror in the US).

One of the oddities in the contemporary world is our astonishing failure to make adequate use of policy lessons that can be drawn from the diversity of experiences that the heterogeneous world already provides. There is much evidence of the big contributions that UHC can make in advancing the lives of people, and also (and this is very important) in enhancing economic and social opportunities – including facilitating the possibility of sustained economic growth (as has been firmly demonstrated in the experience of south-east Asian countries, such as Japan, South Korea, Taiwan, Singapore and, more recently, China).

Further, a number of poor countries have shown, through their pioneering public policies, that basic healthcare for all can be provided at a remarkably good level at very low cost if the society, including the political and intellectual leadership, can get its act together. There are many examples of such success across the world. None of these individual examples are flawless and each country can learn from the experiences of others. Nevertheless, the lessons that can be derived from these pioneering departures provide a solid basis for the presumption that, in general, the provision of universal healthcare is an achievable goal even in the poorer countries. An Uncertain Glory: India and its Contradictions, my book written jointly with Jean Drèze, discusses how the country’s predominantly messy healthcare system can be vastly improved by learning lessons from high-performing nations abroad, and also from the contrasting performances of different states within India that have pursued different health policies.

Over the last three decades various studies have investigated the experiences of countries where effective healthcare is provided at low cost to the bulk of the population. The places that first received detailed attention included China, Sri Lanka, Costa Rica, Cuba and the Indian state of Kerala. Since then examples of successful UHC – or something close to that – have expanded, and have been critically scrutinised by health experts and empirical economists. Good results of universal care without bankrupting the economy – in fact quite the opposite – can be seen in the experience of many other countries. This includes the remarkable achievements of Thailand, which has had for the last decade and a half a powerful political commitment to providing inexpensive, reliable healthcare for all.

Thailand’s experience in universal healthcare is exemplary, both in advancing health achievements across the board and in reducing inequalities between classes and regions. Prior to the introduction of UHC in 2001, there was reasonably good insurance coverage for about a quarter of the population. This privileged group included well-placed government servants, who qualified for a civil service medical benefit scheme, and employees in the privately owned organised sector, which had a mandatory social security scheme from 1990 onwards, and received some government subsidy. In the 1990s some further schemes of government subsidy did emerge, however they proved woefully inadequate. The bulk of the population had to continue to rely largely on out-of-pocket payments for medical care. However, in 2001 the government introduced a “30 baht universal coverage programme” that, for the first time, covered all the population, with a guarantee that a patient would not have to pay more than 30 baht (about 60p) per visit for medical care (there is exemption for all charges for the poorer sections – about a quarter – of the population).

The result of universal health coverage in Thailand has been a significant fall in mortality (particularly infant and child mortality, with infant mortality as low as 11 per 1,000) and a remarkable rise in life expectancy, which is now more than 74 years at birth – major achievements for a poor country. There has also been an astonishing removal of historic disparities in infant mortality between the poorer and richer regions of Thailand; so much so that Thailand’s low infant mortality rate is now shared by the poorer and richer parts of the country.

There are also powerful lessons to learn from what has been achieved in Rwanda, where health gains from universal coverage have been astonishingly rapid. Devastated by genocide in 1994, the country has rebuilt itself and established an inclusive health system for all with equity-oriented national policies focusing on social cohesion and people-centred development. Premature mortality has fallen sharply and life expectancy has actually doubled since the mid-1990s. Following pilot experiments in three districts with community-based health insurance and performance-based financing systems, the health coverage was scaled up to cover the whole nation in 2004 and 2005. As the Rwandan minister of health Agnes Binagwaho, the US medical anthropologist Paul Farmer and their co-authors discuss in Rwanda 20 Years on: Investing in Life, a paper published in the Lancet in July 2014: “Investing in health has stimulated shared economic growth as citizens live longer and with greater capacity to pursue the lives they value.”

The experiences of many other countries also offer good lessons, from Brazil and Mexico (which have recently implemented UHC with reasonable success) to Bangladesh and the Indian states of Himachal Pradesh and Tamil Nadu (with progress towards the universal coverage that has already been achieved by Kerala). Bangladesh's progress, which has been rapid, makes clear the effectiveness of giving a significant role to women in the delivery of healthcare and education, combined with the part played by women employees in spreading knowledge about effective family planning (Bangladesh's fertility rate has fallen sharply from being well above five children per couple to 2.2 – quite close to the replacement level of 2.1). To separate out another empirically observed influence, Tamil Nadu shows the rewards of having efficiently run public services for all, even when the services on offer may be relatively meagre. The population of Tamil Nadu has greatly benefited, for example, from its splendidly run mid-day meal service in schools and from its extensive system of nutrition and healthcare of pre-school children.

The message that striking rewards can be reaped from serious attempts at instituting – or even moving towards – universal healthcare is hard to miss. The critical ingredients of success that have emerged from these studies appear to include a firm political commitment to the provision of universal healthcare, running workable elementary healthcare and preventive services covering as much of the population as possible, paying serious attention to good administration in healthcare and ancillary public services and arranging effective school education for all. Perhaps most importantly, it means involving women in the delivery of health and education in a much larger way than is usual in the developing world.

The question can, however, be asked: how does universal healthcare become affordable in poor countries? Indeed, how has UHC been afforded in those countries or states that have run against the widespread and entrenched belief that a poor country must first grow rich before it is able to meet the costs of healthcare for all? The alleged common-sense argument that if a country is poor it cannot provide UHC is, however, based on crude and faulty economic reasoning.

The first – and perhaps the most important – factor overlooked by the naysayers is the fact that at a basic level healthcare is a very labour-intensive activity, and in a poor country wages are low. A poor country may have less money to spend on healthcare, but it also needs to spend less to provide the same labour-intensive services (far less than what a richer – and higher-wage – economy would have to pay). Not to take into account the implications of large wage differences is a gross oversight that distorts the discussion of the affordability of labour-intensive activities such as healthcare and education in low-wage economies.

Second, how much healthcare can be provided to all may well depend on the country's economic means, but whatever is affordable within a country's means can still be more effectively and more equitably provided through universal coverage. Given the hugely unequal distribution of incomes in many economies, there can be serious inefficiency as well as unfairness in leaving the distribution of healthcare entirely to people's respective abilities to buy medical services. UHC can bring about not only greater equity, but also much larger overall health achievement for the nation, since the remedying of many of the most easily curable diseases and the prevention of readily avoidable ailments get left out under the out-of-pocket system, because of the inability of the poor to afford even very elementary healthcare and medical attention.

It is also worth noting here, as European examples richly illustrate, that providing UHC is compatible with allowing the purchase of extra services for the especially affluent (or those with extra health insurance), and the demands of UHC must be distinguished from the ethics of aiming at complete equality. This is not to deny that remedying inequality as much as possible is an important value – a subject on which I have written over many decades. Reduction of economic and social inequality also has instrumental relevance for good health. Definitive evidence of this is provided in the work of Michael Marmot, Richard Wilkinson and others on the "social determinants of health", showing that gross inequalities harm the health of the underdogs of society, both by undermining their lifestyles and by making them prone to harmful behaviour patterns, such as smoking and excessive drinking. Nevertheless, the ethics of universal health coverage have to be distinguished from the value of eliminating inequalities in general, which would demand much more radical economic and social changes than UHC requires. Healthcare for all can be implemented with comparative ease, and it would be a shame to delay its achievement until such time as it can be combined with the more complex and difficult objective of eliminating all inequality.

Third, many medical and health services are shared, rather than being exclusively used by each individual separately. For example, an epidemiological intervention reaches many people who live in the same neighbourhood, rather than only one person at a time. Healthcare, thus, has strong components of what in economics is called a "collective good," which typically is very inefficiently allocated by the pure market system, as has been extensively discussed by economists such as Paul Samuelson.

Covering more people together can sometimes cost less than covering a smaller number individually.

Fourth, many diseases are infectious. Universal coverage prevents their spread and cuts costs through better epidemiological care. This point, as applied to individual regions, has been recognised for a very long time. The conquest of epidemics has, in fact, been achieved by not leaving anyone untreated in regions where the spread of infection is being tackled. The transmission of disease from region to region – and of course from country to country – has broadened the force of this argument in recent years.

Right now, the pandemic of Ebola is causing alarm even in parts of the world far away from its place of origin in west Africa. For example, the US has taken many expensive steps to prevent the spread of Ebola within its own borders. Had there been effective UHC in the countries of origin of the disease, this problem could have been mitigated or even eliminated. In addition, therefore, to the local benefits of having UHC in a country, there are global ones as well. The calculation of the ultimate economic costs and benefits of healthcare can be a far more complex process than the universality-deniers would have us believe.

In the absence of a reasonably well-organised system of public healthcare for all, many people are afflicted by overpriced and inefficient private healthcare. As has been analysed by many economists, most notably Kenneth Arrow, there cannot be a well-informed competitive market equilibrium in the field of medical attention, because of what economists call “asymmetric information”. Patients do not typically know what treatment they need for their ailments, or what medicine would work, or even what exactly the doctor is giving to them as a remedy. Unlike in the market for many commodities, such as shirts or umbrellas, the buyer of medical treatment knows far less than what the seller – the doctor – does, and this vitiates the efficiency of market competition. This applies to the market for health insurance as well, since insurance companies cannot fully know what patients’ health conditions are. This makes markets for private health insurance inescapably inefficient, even in terms of the narrow logic of market allocation. And there is, in addition, the much bigger problem that private insurance companies, if unrestrained by regulations, have a strong financial interest in excluding patients who are taken to be “high-risk”. So one way or another, the government has to play an active part in making UHC work.

The problem of asymmetric information applies to the delivery of medical services itself. It makes the possibility of exploitation of the relatively ignorant a likely result even when there is plentiful market competition. And when medical personnel are scarce, so that there is not much competition either, it can make the predicament of the buyer of medical treatment even worse. Furthermore, when the provider of healthcare is not himself trained (as is often the case in many countries with deficient health systems), the situation becomes worse still. As a result, in the absence of a well-organised public health system covering all, many patients, denied any alternative, remain vulnerable to exploitation by unscrupulous individuals who robustly combine crookery and quackery.

While such lamentable conditions are seen in a number of countries, there are other countries (or states within countries) that, as has already been discussed, demonstrate the rewards of having a functioning universal public healthcare system – with better health achievements and also larger development of human capabilities. In some countries – for example India – we see both systems operating side by side in different states within the country. A state such as Kerala provides fairly reliable basic healthcare for all through public services – Kerala pioneered UHC in India several decades ago, through extensive public health services. As the population of Kerala has grown richer – partly as a result of universal healthcare and near-universal literacy – many people now choose to pay more and have additional private healthcare. But since these private services have to compete with what the state provides, and have to do even better to justify their charges in a region with widespread medical knowledge and medical opportunity, the quality of private medical services tends also to be better there than where there is no competition from public services and a low level of public education. In contrast, states such as Madhya Pradesh or Uttar Pradesh give plentiful examples of exploitative and inefficient healthcare for the bulk of the population. Not surprisingly, people who live in Kerala live much longer and have a much lower incidence of preventable illnesses than do people from states such as Madhya Pradesh or Uttar Pradesh.

A system of universal healthcare also has the advantage that it can focus on vitally needed – but often ignored – primary medical attention, and on relatively inexpensive outpatient care when a disease receives early attention. In the absence of systematic care for all, diseases are often allowed to develop, which makes it much more expensive to treat them, often involving inpatient treatment, such as surgery. Thailand’s experience clearly shows how the need for more expensive procedures may go down sharply with fuller coverage of preventive care and early intervention. Good healthcare demands systematic and comprehensive attention, and in the absence of affordable healthcare for all, illnesses become much harder and much more expensive to treat. If the advancement of equity is one of the

rewards of well-organised universal healthcare, enhancement of efficiency in medical attention is surely another.

The case for UHC is often underestimated because of inadequate appreciation of what well-organised and affordable healthcare for all can do to enrich and enhance human lives. It is one thing to accept that the world may not have the resources and the dexterity at this moment to provide the finest of medical care to all, but that is not a reason for eliminating our search for ways of proceeding towards just that, nor a ground for refusing to provide whatever can be easily provided right now for all. In this context it is also necessary to bear in mind an important reminder contained in Paul Farmer's book *Pathologies of Power: Health, Human Rights and the New War on the Poor*: "Claims that we live in an era of limited resources fail to mention that these resources happen to be less limited now than ever before in human history."

In addition, we have to take note of the dual role of healthcare in directly making our lives better – reducing our impoverishment in ways that matter to all human beings – as well as helping to remove poverty, assessed even in purely economic terms. Reduction of economic poverty occurs partly as a result of the greater productivity of a healthy and educated population, leading to higher wages and larger rewards from more effective work, but also because UHC makes it less likely that vulnerable, uninsured people would be made destitute by medical expenses far beyond their means. Here again, Thailand's experience shows how penury caused by medical costs can fall rapidly once UHC is established.

The mutual support that healthcare and economic development can provide has been brought out very extensively by the results of UHC-oriented policies in south-east Asia, from Japan to Singapore. The complementary nature of health advancement and economic progress is also illustrated in the comparative experiences of different states within India. I remember being admonished 40 years ago, when I spoke in support of Kerala's efforts to have state-supported healthcare for all. I was firmly told that this strategy could not possibly work, since Kerala was, then, one of the poorest states in India. The thesis of unaffordability was, however, wrongly argued for reasons already discussed. Despite its poverty, Kerala did manage to run an effective UHC programme that contributed greatly to its having, by some margin, the longest life expectancy in India and the lowest rates of infant and child mortality, among its other health accomplishments. But in addition to these so-called "social achievements", it was possible to argue even in those early days – despite scorn from those who were opposed to UHC – that with the help of a more educated and healthier workforce, Kerala would also be able to grow faster in purely economic terms. After all, there are no influences as strong in raising the productivity of labour as health, education and skill formation – a foundational connection to which Adam Smith gave much attention.

This has actually happened. In fact, the previously poor state of Kerala, with its universal healthcare and universal schooling, now has the highest per capita income among all the states in India. Tamil Nadu and Himachal Pradesh, both of which have made substantial moves towards the provision of education and basic healthcare for all, have both progressed admirably and now belong solidly among the richer Indian states.

There is, thus, plenty of evidence that not only does universal healthcare powerfully enhance the health of people, its rewards go well beyond health. There is, indeed, a strong relationship between health and economic performance, and we have every reason to base public policy on a proper understanding of the nature and reach of what is clearly a positive interdependence. There is no mystery in all this given the centrality of health for better lives and for enhancing human capabilities.

GOVERNMENT SURVEILLANCE: A GREATER THREAT THAN TERRORISM

Ted Baumann; Activist Post

The man sat on the floor, awkwardly wedged into the far corner of his apartment, his knees drawn up under his chin. The faltering light from the dirty window barely illuminated the book balanced on his knees. Periodically he bent closer to see the words as he scrawled out his thoughts with a dull pencil.

This was the only way he could express himself beyond the scrutiny of government surveillance that sought to know and record his every thought and action.

You may recognize this scene, one of the most arresting from George Orwell's dystopian fiction classic, *Nineteen Eighty-Four*. Winston Smith was breaking the law by seeking privacy outside the range of the "telescreen" in his apartment.

In an irony that would no doubt give Orwell grim satisfaction in his own prescience, Britons today are being pursued and prosecuted under an Act of Parliament designed to curb terrorism ... for failing to pay a license fee for the televisions in their own homes.

Big Brother is Watching You

Orwell wrote soon after the invention of the television, which he envisaged as having evolved into an all-seeing two-way surveillance and propaganda device — the telescreen. It subjected viewers to constant hectoring demands for obedience, and reported their every move to Big Brother, the avatar of the all-seeing surveillance state.

The fact that the novel is set in a future (and fictional) Britain only heightens the irony of recent revelations in the UK. The government of Tory Prime Minister David Cameron has been using surveillance powers designed for the "War on Terrorism" to ferret out Britons who have not paid their hated "TV License," a £145.50 annual tax imposed on every home containing a set in the country.

Her Majesty's government clearly takes this odious little tax very seriously ... so much so that the BBC is using the Regulation of Investigatory Powers Act (RIPA) — designed to catch terrorists and Internet criminals — to track down people who dodge the license fee. About 200,000 people were prosecuted for failing to buy a TV license between 2012 and 2013. More than 50 of those were sent to prison, and many others received penalties of up to £1,000 and a criminal record.

We can assume that none of them were terrorists — just ordinary subjects who dislike stupid taxes.

Freedom is Slavery

Orwell wrote with extraordinary perception and clarity, taking as his central theme the ways in which government's attempts to serve its citizens are inevitably turned against us. Any policy, program or technique developed to "protect our freedoms" will be used to achieve the opposite.

Orwell would recognize the absurd irony of the situation in Western countries following the recent atrocities in Paris targeting the satirical newspaper *Charlie Hebdo*. In response to these terror attacks, David Cameron has effectively launched a war against encryption, deeming private communication too great a threat to afford to keep as it prevents government from tracking and monitoring potential terrorists.

After loud protestations for "freedom of speech" following a terrorist attack on a magazine, our leaders barely pause for breath before demanding even greater surveillance powers than they already have — powers that, as Winston Smith knew, turn us all into self-censoring drones, fearful of saying or doing something that might offend Big Brother.

Today anti-terrorism laws are being used to enforce petty taxes. How will the new rules and capacities that inevitably emerge from the "je suis Charlie" hysteria in Paris be deployed? We can imagine, as Orwell surely would, that the end result will be the opposite of the stated intention: Freedom will indeed become slavery.

"You're On Your Own"

The more I research and write about personal and financial privacy, the more I turn instinctively to this phrase. In a world where government is the principal enemy, no one but ourselves will meet our needs for sovereign independence of thought and action. It is truly up to us.

Every bit of information about you out there in the cloud — the details of your lives and finances, triumphs and defeats, plans and dreams — is a target. If otherwise law-abiding Britons can go to jail over a petty tax, courtesy of surveillance powers grabbed in the name of fighting terrorism, imagine what can and will happen if the government decides to turn its attention to you.

This is why, now more than ever, you need to take concrete steps to secure your privacy ... not just from crooks, but from the greatest enemy of freedom there is: the government. By using techniques of encryption (while it's available), secure end-to-end communication and identity masking, you can become a free and sovereign man or woman, because you control the knowledge available about you.

But you've got to start now ... before it's too late.

Ted Baumann is an Offshore and Asset Protection Editor who joined The Sovereign Society in 2013. As an expat who lived in South Africa for 25 years, Ted specializes in asset protection and international migration. He is the editor of Offshore Confidential and Plan B Club. His writing is featured at The Sovereign Investor, where this article first appeared.

FINGERPRINTS CAN BE REPRODUCED FROM PUBLICLY AVAILABLE PHOTOS

Kif Leswing; Gigaom Research; via Activist Post

At a conference in Hamberg Germany this weekend, biometrics researcher Jan Krissler demonstrated how he spoofed a politician's fingerprint using photos taken by a "standard photo camera."

Krissler speculated that politicians might even want to "wear gloves when talking in public."

The Chaos Computer Club, which put on the conference, and Krissler, who goes by Starbug, have demonstrated their ability to breach fingerprint sensors in the past. Shortly after the first Touch ID-equipped iPhone came out, the Chaos Computer Club was the first group to demonstrate that it is possible to beat Touch ID by creating a fake latex finger from a fingerprint left on glass or a smartphone screen.

Krissler claims he isolated German Defense Minister Ursula von der Leyen's fingerprint from high-resolution photos taken during a public appearance in October using commercially available software called VeriFinger.

Although there are some advantages to a biometric access over traditional passwords — you can't lose your fingerprint, and it can't be phished — as the technology goes mainstream, it's raising its own security issues. In addition to the spoofing problem, there's a debate in the United States whether a law enforcement officer can compel you to unlock your device with your finger.

Most iOS devices now come with Touch ID, Apple's fingerprint security hardware. A recent Apple patent shows a way to beef up fingerprint reader security by adding a swipe motion.

Fingerprint readers aren't standard on Android phones, but several devices already have them installed, and source code indicates that Google has been working to add system-wide fingerprint scanning support.

'For what justice is this, that a rich goldsmith, or an usurer, or to be short, any of them which either do nothing at all, or else that which they do is such that it is not very necessary to the commonwealth, should have a pleasant and a wealthy living, either by idleness, or by unnecessary business; when in the meantime poor labourers, carters, ironsmiths, carpenters and ploughmen, by

so great and continual toil as drawing and bearing beasts be scant able to sustain, and again so necessary toil, that without it no commonwealth were able to continue and endure one year, do yet get so hard and poor a living, and live so wretched and miserable a life, that the state and condition of the labouring beasts may seem much better and wealthier?...

'...Therefore, when I consider and weigh in my mind all these commonwealths, which nowadays anywhere do flourish, so God help me, I can perceive nothing but a certain conspiracy of rich men procuring their own commodities under the name and title of the commonwealth. They invent and devise all means and crafts, first how to keep safely, without fear of losing, that they have unjustly gathered together, and next how to hire and abuse the work and labour of the poor for as little money as may be. These devices, when the rich men have decreed to be kept and observed for the commonwealth's sake, that is to say for the wealth also of the poor people, then they be made laws. But these most wicked and vicious men, when they have by their insatiable covetousness divided among themselves all those things, which would have sufficed all men...'

On enclosures;-

'But yet this is not only the necessary cause of stealing. There is another, which, as I suppose, is proper and peculiar to you Englishmen alone. What is that, quoth the Cardinal? forsooth my lord (quoth I), your sheep that were wont to be so meek and tame, and so small eaters, now, as I heard say, be become so great devourers and so wild, that they eat up, and swallow down the very men themselves. They consume, destroy, and devour whole fields, houses, and cities. For look in what parts of the realm doth grow the finest, and therefore dearest wool, there noble men, and gentlemen, yea and certain Abbots, holy men no doubt, not contenting themselves with the yearly revenues and profits, that were wont to grow to their forefathers and predecessors of their lands, nor being content that they live in rest and pleasure nothing profiting, yea much noying the weal public, leave no ground for tillage: they inclose all into pastures, they throw down houses, they pluck down towns, and leave nothing standing, but only the church to be made a sheephouse.'

Thomas Moore; Utopia, Book 1 (1516); thanks to 'David Wilkinson'; Occupy

WEB IS BECOMING 'LESS FREE AND MORE UNEQUAL', WARNS SIR TIM BERNERS-LEE

Dan Worth; V3; via Critical Thinking

Web access must be universal to ensure the world becomes a fairer and more open place.

The web is becoming less free and more unequal as censorship, surveillance and cyber violence undermine what should be an open and equal platform. These words of warning come from the World Wide Web (WWW) Foundation, overseen by the founder of the web, Sir

Tim Berners-Lee, as part of the annual Web Index report looking at key issues affecting web access and use around the world.

The report notes that a staggering 4.3 billion people still have no web access, and that over half of the world's population who can access it live in nations that place tight restrictions on the web's use, including limiting access to information.

Furthermore, 84 percent of nations have no reasonable laws to protect people from mass surveillance, a highly pertinent subject given the revelations from the Snowden leaks of 2013.

The lack of net neutrality laws is also noted as a cause for concern. Only a quarter of the 86 countries monitored made an effort in 2014 to enforce rules around net neutrality. In light of all of this, Berners-Lee said that web access must become a human right if it is to be a tool for good in the world, "It's time to recognise the internet as a basic human right. That means guaranteeing affordable access for all, ensuring internet packets are delivered without commercial or political discrimination, and protecting the privacy and freedom of web users regardless of where they live," he said.

The WWW Foundation said that more must be done to improve web access by accelerating programmes designed to deliver access to remote areas.

Ensuring that web access remains affordable, and does not price the poorest and marginalised in society out, must also be addressed, as an estimated 225 million people face this predicament.

On a country-by-country basis the UK performed well in the report, placing fourth in the world for web access thanks to high scores for universal access (82.99), empowerment (100) and relevant content and use (100).

However, the UK performed less well for freedom and openness (76.25), owing most likely to the revelations from Snowden that the UK has been involved in mass surveillance programmes like Tempora.

The rest of the top five is filled by the Nordic countries of Denmark in first, Finland in second, Norway in third and Sweden in fifth. The bottom ranked country was Ethiopia.

Dan Worth is the news editor for V3 having first joined the site as a reporter in November 2009. He specialises in a raft of areas including fixed and mobile telecoms, data protection, social media and government IT. Before joining V3 Dan covered communications technology, data handling and resilience in the emergency services sector on the BAPCO Journal.

TEACHING ECONOMICS AFTER THE CRASH

BBC Economics Show; Radio 4; Tony Gosling; via Inquiring Minds

<https://www.youtube.com/watch?v=CsvGNt4eKsc>

At universities from Glasgow to Calcutta, economics students are fighting their tutors over how to teach the subject in the wake of the crash. The Guardian's senior economics commentator, Aditya Chakraborty, reports from the frontline of this most unusual and important academic war.

The banking crash plunged economies around the world into crisis – but it also created questions for economics itself. Even the Queen asked why hardly any economists saw the meltdown coming. Yet economics graduates still roll out of exam halls and off to government departments or the City with much the same toolkit that, just five years ago, produced a massive crash.

Now economics students around the world are demanding a radical change of course. In a manifesto signed by 65 university economics associations from over 30 different countries, students decry a 'dramatic narrowing of the curriculum' that they say prefers algebra to the real world and teaches them there's only one way to run an economy.

As fights go, this one is desperately ill-matched – in one corner, young people fighting to change

what they're taught; in the other, the academics who've built careers researching and teaching the subject. Yet the outcome matters to all of us, as it is a battle over the ideas that underpin how we run our economies.

Aditya meets the students leading arguing for a rethink of economics. He also talks to major figures from the worlds of economics and finance, including George Soros, the Bank of England's chief economist Andy Haldane, and Cambridge author Ha-Joon Chang.

Here is their suggested reading list:

Ha-Joon Chang.

- Herbert Simon: *Reasons in Human Affairs* (Stanford University Press 1983)
- Phyllis Deane: *The State and the Economic System: An Introduction to the History of Political Economy* (Opus 1989)

Rob Johnson

- Frank Knight: *Risk Uncertainty and Profit* (1921) ; *On the History and Methods of Economics* (1956)
- John Maynard Keynes: *General Theory* (1936); *A Treatise on Probability* (1921)
- Rajani Kanth: *Breaking with the Enlightenment* (NJ Humanities Press 1997)
- Stuart Ewen: *PR!: The Social History of Spin* (Basic Books 1998)

Professor Steve Keen

- Hyman Minsky: *Can "It" Happen Again?* (Routledge 1982)
- John Blatt: *Dynamic Economic Systems* (Routledge 1983)
- Karl Marx: *Grundrisse* (1939)

Professor Diane Coyle

- John McMillan: *Reinventing the Bazaar – A Natural History of Markets* (Norton 2003)
- Thomas Schelling: *Micromotives and Macrobehaviour* (Norton 1978)

Dr Victoria Bateman

- John Maynard Keynes: *The General Theory of Employment, Interest and Money* (chapter 12)
- Avner Offer: *The Challenge of Affluence* (OUP 2006)
- Mariana Mazzucato: *The Entrepreneurial State: Debunking Public vs Private Sector Myths* (Anthem Press 2013)

Professor Wendy Carlin

- David Soskice and Peter Hall (ed): *Varieties of Capitalism* (OUP 2001)
- Paul Seabright: *The Company of Strangers: a Natural History of Economic Life* (PUP 2004)

Professor Philip Mirowski

nakedcapitalism.com or larspsyll.wordpress.com

Lord Robert Skidelsky

- Josh Ryan-Collins, Tony Greenham, Richard Werner and Andrew Jackson: *Where Does Money Come From? A Guide to the UK Monetary and Banking System* (New Economics Foundation 2014)
- Anat Admati and Martin Hellwig: *The Bankers' New Clothes: What's Wrong with Banking and What to Do About It* (Princeton University Press 2013)
- Erik Brynjolfsson and Andrew McAfee: *The Second Machine Age: Work Progress, and Prosperity in a Time of Brilliant Technologies* (WW Norton 2014)

Dr Devrim Yilmaz

- Karl Polanyi: *The Great Transformation* (1944)

Professor Danny Quah

- Edward Tufte: *The Visual Display of Quantitative Information* (Graphics Press 2001)
- Paul Kennedy: *The Rise and Fall of the Great Powers: Economic Change and Military Conflict from 1500 to 2000* (Random House 1989)
- Jared Diamond: *Guns, Germs, and Steel: A Short History of Everybody for the Last 13,000 Years* (Vintage 1998)

Yuan Yang, *Rethinking Economics*

- Tony Lawson: *Economics and Reality* (Routledge 1997)

Joe Earle, *Post-Crash Economics Society*

- George Packer: *The Unwinding* (Faber 2014)
- Rod Hill and Tony Myatt: *The Economics Anti-Textbook: A Critical Thinker's Guide to Economics* (Zed 2010)

EU SHOWDOWN: GREECE TAKES ON THE VAMPIRE SQUID

Ellen Brown, Web of Debt

Greece and the troika (the International Monetary Fund, the EU, and the European Central Bank) are in a dangerous game of chicken. The Greeks have been threatened with a “Cyprus-Style prolonged bank holiday” if they “vote wrong.” But they have been bullied for too long and are saying “no more.”

A return to the polls was triggered in December, when the Parliament rejected Prime Minister Antonis Samaras’ pro-austerity candidate for president. In a general election, now set for January 25th, the EU-skeptic, anti-austerity, leftist Syriza party is likely to prevail. Syriza captured a 3% lead in the polls following mass public discontent over the harsh austerity measures Athens was forced to accept in return for a €240 billion bailout.

Austerity has plunged the economy into conditions worse than in the Great Depression. As Professor Bill Black observes, the question is not why the Greek people are rising up to reject the barbarous measures but what took them so long.

Ireland was similarly forced into an EU bailout with painful austerity measures attached. A series of letters has recently come to light showing that the Irish government was effectively blackmailed into it, with the threat that the ECB would otherwise cut off liquidity funding to Ireland’s banks. The same sort of threat has been leveled at the Greeks, but this time they are not taking the bait.

Squeezed by the Squid

The veiled threat to the Greek Parliament was in a December memo from investment bank Goldman Sachs – the same bank that was earlier blamed for inducing the Greek crisis. Rolling Stone journalist Matt Taibbi wrote colorfully of it:

The first thing you need to know about Goldman Sachs is that it's everywhere. The world's most powerful investment bank is a great vampire squid wrapped around the face of humanity, relentlessly jamming its blood funnel into anything that smells like money. In fact, the history of the recent financial crisis, which doubles as a history of the rapid decline and fall of the suddenly swindled dry American empire, reads like a Who's Who of Goldman Sachs graduates.

Goldman has spawned an unusual number of EU and US officials with dictatorial power to promote and protect big-bank interests. They include US Treasury Secretary Robert Rubin, who brokered the repeal of the Glass-Steagall Act in 1999 and passage of the Commodity Futures Modernization Act in 2000; Treasury Secretary Henry Paulson, who presided over the 2008 Wall Street bailout; Mario Draghi, current head of the European Central Bank; Mario Monti, who led a government of technocrats as Italian prime minister; and Bank of England Governor Mark Carney, chair of the Financial Stability Board that sets financial regulations for the G20 countries.

Goldman’s role in the Greek crisis goes back to 2001. The vampire squid, smelling money in Greece’s debt problems, jabbed its blood funnel into Greek fiscal management, sucking out high fees to hide the extent of Greece’s debt in complicated derivatives. The squid then hedged its bets by shorting Greek debt. Bearish bets on Greek debt launched by heavyweight hedge funds in late 2009 put selling pressure on the euro, forcing Greece into the bailout and austerity measures that have since destroyed its economy.

Before the December 2014 parliamentary vote that brought down the Greek government,

Goldman repeated the power play that has long held the eurozone in thrall to an unelected banking elite. In a note titled “From GRecovery to GRelapse,” reprinted on Zerohedge, it warned that “the room for Greece to meaningfully backtrack from the reforms that have already been implemented is very limited.”

Why? Because bank “liquidity” could be cut in the event of “a severe clash between Greece and international lenders.” The central bank could cut liquidity or not, at its whim; and without it, the banks would be insolvent.

As the late Murray Rothbard pointed out, all banks are technically insolvent. They all lend money they don’t have. They rely on being able to borrow from other banks, the money market, or the central bank as needed to balance their books. The central bank, which has the power to print money, is the ultimate backstop in this sleight of hand and is therefore in the driver’s seat. If that source of liquidity dries up, the banks go down.

The Goldman memo warned:

The Biggest Risk is an Interruption of the Funding of Greek Banks by The ECB.

Pressing as the government refinancing schedule may look on the surface, it is unlikely to become a real issue as long as the ECB stands behind the Greek banking system. . . .

But herein lies the main risk for Greece. The economy needs the only lender of last resort to the banking system to maintain ample provision of liquidity. And this is not just because banks may require resources to help reduce future refinancing risks for the sovereign. But also because banks are already reliant on government issued or government guaranteed securities to maintain the current levels of liquidity constant. . . .

In the event of a severe Greek government clash with international lenders, interruption of liquidity provision to Greek banks by the ECB could potentially even lead to a Cyprus-style prolonged “bank holiday”. And market fears for potential Euro-exit risks could rise at that point.

The condition of the Greek banks was not the issue. The gun being held to the banks’ heads was the threat that the central bank’s critical credit line could be cut unless financial “reforms” were complied with. Indeed, any country that resists going along with the program could find that its banks have been cut off from that critical liquidity.

That is actually what happened in Cyprus in 2013. The banks declared insolvent had passed the latest round of ECB stress tests and were no less salvageable than many other banks – until the troika demanded an additional €600 billion to maintain the central bank’s credit line. That was the threat leveled at the Irish government before it agreed to a bailout with strings attached, and it was the threat aimed in December at Greece. Greek Finance Minister Gikas Hardouvelis stated in an interview:

The key to . . . our economy’s future in 2015 and later is held by the European Central Bank. . . .

This key can easily and abruptly be used to block funding to banks and therefore strangle the Greek economy in no time at all.

Europe’s Lehman Moment?

That was the threat, but as noted on Zerohedge, the ECB’s hands may be tied in this case:

[S]hould Greece decide to default it would mean those several hundred billion Greek bonds currently held in official accounts would go from par to worthless overnight, leading to massive unaccounted for impairments on Europe’s pristine balance sheets, which also confirms that Greece once again has all the negotiating leverage.

Despite that risk, on January 3rd Der Spiegel reported that the German government believes the Eurozone would now be able to cope with a Greek exit from the euro. The risk of “contagion” is now limited because major banks are protected by the new European Banking Union. The banks are protected but the depositors may not be. Under the new “bail-in” rules imposed by the Financial Stability Board, confirmed in the European Banking Union agreed to last spring, any EU

government bailout must be preceded by the bail-in (confiscation) of creditor funds, including depositor funds. As in Cyprus, it could be the depositors, not the banks, picking up the tab.

What about deposit insurance? That was supposed to be the third pillar of the Banking Union, but a eurozone-wide insurance scheme was never agreed to. That means depositors will be left to the resources of their bankrupt local government, which are liable to be sparse.

What the bail-in protocol does guarantee are the derivatives bets of Goldman and other international megabanks. In a May 2013 article in Forbes titled “The Cyprus Bank ‘Bail-In’ Is Another Crony Bankster Scam,” Nathan Lewis laid the scheme bare:

At first glance, the “bail-in” resembles the normal capitalist process of liabilities restructuring that should occur when a bank becomes insolvent. . . .

The difference with the “bail-in” is that the order of creditor seniority is changed. In the end, it amounts to the cronies (other banks and government) and non-cronies. The cronies get 100% or more; the non-cronies, including non-interest-bearing depositors who should be super-senior, get a kick in the guts instead. . . .

In principle, depositors are the most senior creditors in a bank. However, that was changed in the 2005 bankruptcy law, which made derivatives liabilities most senior. In other words, derivatives liabilities get paid before all other creditors — certainly before non-crony creditors like depositors. Considering the extreme levels of derivatives liabilities that many large banks have, and the opportunity to stuff any bank with derivatives liabilities in the last moment, other creditors could easily find there is nothing left for them at all.

Even in the worst of the Great Depression bank bankruptcies, said Lewis, creditors eventually recovered nearly all of their money. He concluded:

When super-senior depositors have huge losses of 50% or more, after a “bail-in” restructuring, you know that a crime was committed.

Goodbye Euro?

Greece can regain its sovereignty by defaulting on its debt, abandoning the ECB and the euro, and issuing its own national currency (the drachma) through its own central bank. But that would destabilize the eurozone and might end in its breakup. Will the troika take that risk? 2015 is shaping up to be an interesting year.

*Ellen Brown is an attorney, founder of the Public Banking Institute, and author of twelve books including the best-selling *Web of Debt*. Her latest book, *The Public Bank Solution*, explores successful public banking models historically and globally. Her 200+ blog articles are at EllenBrown.com.*

THE EU'S GIANT AND SECRETIVE DEREGULATION BLITZ

Linda Kaucher; Our Kingdom; via Critical Thinking

It is not just TTIP, across the board the EU is bowing to business pressure to do away with 'burdensome' regulation - regulation that tends to save lives, protect consumers and ensure standards.

Regulations on health and safety, on labour rights and on environmental protection are better developed in the EU than in most of the rest of the world. They are in place to protect us and are often the result of hard-fought campaigns. However, because these regulations hamper the profit-making of big business, a program of deregulation is in process within the EU, in EU member states, notably the UK, and via the EU's international trade agreements.

At the behest of business, there has been a decade-long and intensifying program in the EU to attack regulations by revising, amending or scrapping regulations and blocking new regulation. In the

UK, legislation attacking national level protective regulation is currently going through the parliamentary process. Simultaneously the US/EU free trade agreement (called the Transatlantic Trade and Investment Partnership – TTIP) is being negotiated, which will attack regulation at the level of international ‘trade’ law. While those promoting TTIP insist that it will not weaken regulations, this is very unlikely given the overall context: the various shifts we are seeing towards simplifying, harmonising and reducing regulation across member state legislatures, in EU legislative processes and in international trade commitments, are similar, interrelated and in fact integrated.

For instance, the UK government, engaged in undermining domestic regulation via UK legislation, has also instigated a report on EU regulation that has strongly influenced the EU regulation program and is taking a major role in advancing TTIP.

It is an agenda influenced by corporate lobbying, with the same lobbying mechanisms involved across these different levels of governance. Similar rhetoric is used to influence public opinion with terms such as ‘red tape’, ‘competitiveness’, ‘efficiency’ and ‘jobs and growth’ used to discredit regulation and justify getting rid of it even though it is there to protect us.

Small and Medium Enterprises (SMEs) are a main focus across these levels of deregulatory activity. At the EU and UK member state levels it is claimed that SMEs will benefit from minimised regulation, and it is proposed that they should be exempt from regulation where possible.

However ‘SMEs’ are 99% of EU businesses. They can have up to a €50m turnover and employ up to 250 employees to be classed as SMEs. They collectively employ 60% of EU workers. They also have 82% of work-related injuries and 90% of work-related fatalities. Thus exempting SMEs from regulations, including those governing workplace health and safety, would undermine much of the purpose of regulation, with protections arbitrarily reliant on the size of a business.

Notably, small business does not want deregulation.

Despite the continuity in the overarching aim of deregulation, there are differences in how this agenda is presented at these different levels. While David Cameron has no qualms talking about ‘deregulation’ and the Bill in the UK is called the Deregulation Bill, such blatant language is avoided in the EU and ‘deregulation’ is actually denied at the trade agreement level.

At the trade agreement level, to allay public concerns about the agreement, there is insistence that regulations will not be reduced, only ‘harmonised’. The supposed benefits of regulatory harmonisation for SMEs are used as a main ‘selling point’ for the agreement, though it seems that no evidence for such claims of SME benefits has been produced.

In the EU

Initiatives against ‘red tape’ have been introduced in the EU since 2002. The EU REFIT (Regulatory Fitness and Performance) program was launched in October 2013 to simplify and improve regulation to reduce the administrative burden. But this supposed purpose of REFIT has become a fight against regulation, on behalf of business.

Under REFIT the Commission is now annually ‘screening the entire stock of EU legislation on an ongoing and systematic basis to identify burdens, inconsistencies and ineffective measures and identified corrective actions with targets for reductions in regulation and in ‘cost-savings’ (REFIT has a ‘scoreboard’). In addition there is a one-in, one out rule requiring an existing regulation to be scrapped if any new regulation is introduced. Business is encouraged to take the initiative in identifying regulation for review.

While the Commission is now set on ‘cutting red tape’, seemingly for its own sake, this can be identified as reflecting the demands of big business. Major business lobbying structures BusinessEurope and Eurochambres have a strong influence both on the EU internal REFIT program as well as on the EU’s external trade agenda.

A key function of REFIT is ‘Fitness Checks’, whereby regulations are assessed in relation to the criterion of ‘competitiveness’. This Fitness Check assessment work is outsourced to the world’s biggest professional services company, Deloitte.

Other EU initiatives supporting this deregulatory trajectory:

- The appointment, by Commission President Jean-Claude Juncker, of a First Vice President for Better Regulation in the new Commission structure. Frans Timmermans, known for his previous deregulatory work with the Dutch government, now has the power of veto over any regulatory initiatives by other Commissioners.

- Contrary to a layperson’s understanding, ‘Impact Assessment’ in this current EU deregulatory context is now business-focused, considering measurable cost/benefits to business while ignoring the social costs of degraded regulation. An Impact Assessment Board has had to approve all impact assessment

for regulations. But business still wants more input than this structure allows, calling for a more 'independent' board with less Commission bureaucrats and more business representatives. With the Impact Assessment Board about to become the Regulatory Scrutiny Board, this appears to be happening.

- The European Council's (representatives of member state governments) support for REFIT was strongly influenced by the UK 'Cut EU Red Tape' report produced by a Business Taskforce set up by David Cameron to identify how EU regulation could be changed to better suit business.
- In the new Commission structure, with an extra layer of Vice Presidents, Energy, Maritime and Fisheries but also Climate Action and Energy are now all under the 'Vice President for Energy Union', thus Climate Action has been downgraded and subsumed.
- The final report of a High Level Group on Administrative Burdens, set up as part of the 2007 Action Program for Reducing Administrative Burdens in the EU, also reflected the UK Business Taskforce report, recommending a strengthened REFIT with a competitiveness test for all regulation proposals and an exemption for SMEs. (The Chair, Edmund Stoiber, was found to be working for Deloitte).
- 'Red Tape Watch' has been set up by a group of MEPs from the conservative European Peoples Party grouping in the European Parliament.

Importantly, the leaked draft work program of the new Commission (in which the phrase 'jobs and growth' is used 12 times across 6 pages) prioritises so-called 'Better Regulation' and 'fitness checks'.

In the UK

In the UK, the Coalition government is pushing through Oliver Letwin's Deregulation Bill, of immense importance because it is meta-regulation. This legislation, like REFIT at the EU level, provides for assessment of all UK legislation, existing or proposed, against the criteria of pro-business 'growth promotion'. Any legislation that does not meet these corporate-interest criteria can be dumped. The section 'Exercise of regulatory functions: economic growth' (88), will require regulators to prioritise 'the desirability of promoting economic growth' and to particularly ensure that

- (a) regulatory action is taken only when it is needed, and
- (b) any action taken is proportionate.

This language, similarly vague to language used in trade agreements, leaves regulators open to legal challenge, thus effectively deterring the introduction of new regulation.

Who will decide if 'any action taken is proportionate, and how will this be decided?

The Deregulation Bill also includes the 'Repeal of duty to prepare sustainable community strategy' (80) and the 'Repeal of duties relating to consultation or involvement' (83), both in relation to local government, indicating the sort of regulation that will be under attack.

This Bill is going through the Westminster parliamentary processes with very little attention.

Coalition Prime Minister Cameron also set up the Business Taskforce consisting of 6 business leaders that produced the 'Cut EU Red Tape' report which has been so influential in the EU. After a July 2013 call for input from business on what EU regulation changes were wanted, the Taskforce's 60 page report was presented to the Council (Oct 2013). Although it was a UK initiative, the report calls on the 3 pillars of the EU (Commission, Council and Parliament) to take forward these recommendations.

Along with the focus on 'competitiveness', many of the Taskforce proposals involve undermining employees' rights and environmental protections, referencing soil protection, waste, impact assessments and fuel emissions. They include recommendations to 'refrain from bringing forward legislative proposals on shale gas', and to 'ensure that data protection rules don't place unreasonable costs on business'.

To address the 'Barriers to Trading across Borders' it identifies, the Taskforce report recommends removing international regulatory barriers which inhibit trade, as well as dropping proposals for origin-marking on consumer goods, and introducing 'a risk-based process for the evaluation of plant protection products' suggesting a weakening of pesticide protection measures, which, in the context of international trade, is a big issue in US food product exports to the EU.

In a letter sent to businesses four months after the report went to EU institutions, the Taskforce claims successes that include the (false) October 2013 sign-up of the Canada-EU Comprehensive Economic and Trade Agreement (CETA). Although the deal was not actually completed until October 2014, this shows that CETA is seen as a success by the UK government-sponsored Taskforce, in relation to its aims and its report.

This letter also refers to the strong take-up and promotion of the report's 'principles' by major EU business lobby mechanisms, BusinessEurope and Eurochambres, both major influences on internal

and external EU trade policy.

The UK Red Tape Challenge was a mechanism whereby the Cabinet, at the earliest stage in the consideration of regulating, invited proposals from business on 'themes', with the resulting regulatory proposals eventually coming before a committee focused on reducing regulation that had a 'one in, two out' rule (rather than a 'one in, one out rule').

TTIP and other new generation EU international 'trade' deals

The 'Conclusions' of the EU Council (Dec 2014) on EU 'Smart Regulation' (another label in this ongoing deregulatory agenda) emphasise that:

'..it is necessary to promote the most efficient regulatory and non-regulatory tools, such as harmonisation and mutual recognition' ...

This language, in relation to the EU, could have come straight from a leaked TTIP document – it would need to be leaked as that is the only way we see TTIP documentation in this secretive deal.

The core of the US/EU free trade agreement, the Transatlantic Trade and Investment Partnership – TTIP, is 'regulatory 'harmonisation' (or 'co-operation' or 'coherence'), ostensibly about making regulations in the US and the EU the same for efficiency and to reduce costs, reductions that may be passed onto consumers. But critics of the agreement believe this is actually a deregulatory agenda, to get rid of regulations in order to increase the profits of big corporations.

Including investor state dispute settlement (ISDS) in TTIP will allow transnational corporations to sue governments for changing regulations. This threat, of the state potentially having to pay compensation to corporations, is a legalised means of effectively blocking regulation.

The ongoing regulatory aspect of the TTIP as a 'living agreement' is the setting up of a Regulatory Co-operation Committee, open to business input, from when regulation is first being considered, which must then be taken into account. Prioritising business input and the harmonising of regulation will inherently subvert the role of democratic government and its right to regulate.

Proponents of TTIP, particularly the EU Trade Commission, the UK government, and the UK Department of Business, Innovation and Skills, deny any lowering standards or weakening of regulation and give isolated examples where protections will be definitively maintained, such as in relation to the importation of chlorine-washed chicken or hormone-laden beef (although US exporters are not accepting this).

But it is in the mechanisms for regulating that harmonisation with the US is most dangerous. The US processes for formulating regulation allow for a great deal of interference by corporations, including delaying tactics, that effectively restrict the ability of regulators to protect the public. With EU priorities already shifted from regulating for public protection to removing regulation for business 'competitiveness', the foundations for harmonisation with the US in this respect are already established. We are already advanced in the cost/benefit-to-business mode of assessing regulations (see December 2014 UK BIS doc 'The Ninth Statement of New Regulation').

Delaying the passage of legislation is an effective way of defeating regulatory proposals in both the US and the EU. As part of the EU deregulatory program, there is currently pressure to abandon unfinished regulation from the previous European Parliament and this appears now to be a Commission decision.

TTIP, as well as other EU new-generation trade agreements that include regulatory harmonisation and ISDS—particularly CETA and the EU/Singapore free trade agreement which are both close to finalisation—are being negotiated against a backdrop of corporate-interest EU deregulation. In this context, it is highly unlikely that the aims in EU international trade agreement negotiations would not match those being pursued at the EU and UK member state levels.

It is much more likely that the direction for TTIP and other 'trade' deals, the supreme mechanism for legalised corporate benefit, would be similar to the trajectory of these other levels of law-making, especially when the means, including ISDS, will be embedded in the agreements.

Conclusion

There is clearly a single, coherent deregulatory agenda, despite denials at the trade agreement level. While regulation is generally to protect the public, workers and the environment, it is being treated only as a burden and cost, and input for these programs is mostly coming from business. Although the interests of small business is being emphasised across these legislative contexts, it is notable that the big business and big employers' organisations are the main lobbyists for this agenda. At the level of international trade agreements it is certainly transnational firms that gain most from this deregulation.

The language of 'jobs and growth' is being used at all levels but without evidence.

These different levels of governance can ultimately be leveraged against each other, to achieve overall aims. While exemption is being sought for the large part of business that is SME, the National Treatment rule in trade deals disallows differentiated treatment for transnational corporations in relation to that afforded to domestic companies, and non-discrimination is the basis of the trade agenda. TTIP and also the Trade in Services Agreement (TiSA) are pushing across-the-board National Treatment for all services except those particularly identified for exclusion. Thus not only would exemption for SMEs undermine regulation per se, but it would open the door for legal challenges that may see regulations on all corporations reduced to match – towards ever deeper deregulation.

We need:

- To grasp the big picture of this corporate takeover of our world and of our democracy that is happening now
- To resist this corporate-takeover wholesale and at different levels.
- To assert that regulation is not 'onerous red tape' but is our hard-fought social protection
- To raise awareness of, and block, the Deregulation Bill in the UK.
- To recognise, contrary to the belief that many still hold, that the EU and our membership of it does not provide our best protection, and that it allows for initiatives to undermine democracy, which often originate in the UK.
- To oppose TTIP and other trade deals with deregulatory provision and to counter the claims that regulations will not be negatively affected by these deals.
- And we need to construct a positive, informed and credible alternative narrative

About the author

Linda is a researcher on international trade issues particularly surrounding the EU.

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OIL FALLS BELOW \$50 AS GLOBAL FINANCIAL MARKETS BEGIN TO UNRAVEL

Michael Snyder; Activist Post

(The item does not mention that instead of being used to bolster the real productive economy, QE in the USA, UK and Japan has been used to refloat a largely insolvent financial sector resulting in a massive asset price bubble in stocks, land and collectables. There is very little else to support a Dow at 3000 points above 2008 levels. So we can hardly be surprised at these harbingers of further massive crisis to come. So long as world economies remain chained down by titanic debts, and world currencies remain issued by a private transnational banking cartel out of debt, and an absurd derivatives bubble valued at around 20 times the product of the entire planet hangs over us, the best we can hope for is to stagger from one 'dead cat bounce' to the next - Ed)

On Monday (January 5th - Ed) , the price of oil fell below \$50 for the first time since April 2009, and the Dow dropped 331 points. Meanwhile, the stock market declines over in Europe were even larger on a percentage basis, and the euro sank to a fresh nine-year low on concerns that the anti-austerity Syriza party will be victorious in the upcoming election in Greece.

These are precisely the kinds of things that we would expect to see happen if a global financial crash was coming in 2015. Just prior to the financial crisis of 2008, the price of oil collapsed, prices for industrial commodities got crushed and the U.S. dollar soared relative to other currencies.

All of those things are happening again. And yet somehow many analysts are still convinced that things will be different this time. And I agree that things will indeed be “different” this time. When this crisis fully erupts, it will make 2008 look like a Sunday picnic.

Another thing that usually happens when financial markets begin to unravel is that they get really choppy. There are big ups and big downs, and that is exactly what we have witnessed since October.

So don't expect the markets just to go in one direction. In fact, it would not be a surprise if the Dow went up by 300 or 400 points tomorrow. During the initial stages of a financial crash, there are always certain days when the markets absolutely soar. For example, did you know that the three largest single day stock market advances in history were right in the middle of the financial crash of 2008? Here are the dates and the amount the Dow rose each of those days...

October 13th, 2008: +936 points

October 28th, 2008: +889 points

November 13th, 2008: +552 points

Just looking at those three days, you would assume that the fall of 2008 was the greatest time ever for stocks. But instead, it was the worst financial crash that we have seen since the days of the Great Depression. So don't get fooled by the volatility. Choppy markets are almost always a sign of big trouble ahead. Calm waters usually mean that the markets are going up.

In order to avoid a major financial crisis in the near future, we desperately need the price of oil to rebound in a substantial way. Unfortunately, it does not look like that is going to happen any time soon. There is just way too much oil being produced right now. The following is an excerpt from a recent CNBC article...

The Morgan Stanley strategists say there are new reports of unsold West and North African cargoes, with much of the oil moving into storage. They also note that new supply has entered the global market with additional exports coming from Russia and Iraq, which is reportedly seeing production rising to new highs.

Since June, the price of oil has plummeted close to 55 percent. If the price of oil stays where it is right now, we are going to see large numbers of small producers go out of business, the U.S. economy will lose millions of jobs, billions of dollars of junk bonds will go bad and trillions of dollars of derivatives will be in jeopardy. And the lower the price of oil goes, the worse our problems are going to get. That is why it is so alarming that some analysts are now predicting that the price of oil could hit \$40 later this month...

Some traders appeared certain that U.S. crude will hit the \$40 region later in the week if weekly oil inventory numbers for the United States on Wednesday show another supply build.

'We're headed for a four-handle,' said Tariq Zahir, managing member at Tyche Capital Advisors in Laurel Hollow in New York. 'Maybe not today, but I'm sure when you get the inventory numbers that come out this week, we definitely will.'

Open interest for \$40-\$50 strike puts in U.S. crude have risen several fold since the start of December, while \$20-\$30 puts for June 2015 have traded, said Stephen Schork, editor of Pennsylvania-based The Schork Report.

The only way that the price of oil has a chance to move back up significantly is if global production slows down. But instead, production just continues to increase in the short-term thanks to projects that were already in the works. As a result, analysts from Morgan Stanley say that the oil glut is only going to intensify...

Morgan Stanley analysts said new production will continue to ramp up at a number of fields in Brazil, West Africa, Canada and in the U.S. Gulf of Mexico as well as U.S. shale production. Also, the potential framework agreement with Iran could mean more Iranian oil on the market.

Yes, lower oil prices mean that we get to pay less for gasoline when we fill up our vehicles. But as I have written about previously, anyone that believes that lower oil prices are good for the U.S. economy or for the global economy as a whole is crazy. And these sentiments were echoed recently by Jeff Gundlach...

Oil is incredibly important right now. If oil falls to around \$40 a barrel then I think the yield on ten year treasury note is going to 1%. I hope it does not go to \$40 because then something is very, very wrong with the world, not just the economy. The geopolitical consequences could be – to put it bluntly – terrifying.

If the price of oil does not recover, we are going to see massive financial problems all over the planet and the geopolitical stress that this will create will be unbelievable. To expand on this point, I want to share an excerpt from a recent Zero Hedge article. As you can see, a rapid rise or fall in the price of oil almost always correlates with a major global crisis of some sort...

Large and rapid rises and falls in the price of crude oil have correlated oddly strongly with major geopolitical and economic crisis across the globe. Whether driven by problems for oil exporters or oil importers, the 'difference this time' is that, thanks to central bank largesse, money flows faster than ever and everything is more tightly coupled with that flow. So is the 45% YoY drop in oil prices about to 'cause' contagion risk concerns for the world?

And without a doubt, we are overdue for another stock market crisis.

Between December 31st, 1996 and March 24th, 2000 the S&P 500 rose 106 percent.

Then the dotcom bubble burst and it fell by 49 percent.

Between October 9th, 2002 and October 9th, 2007 the S&P 500 rose 101 percent.

But then that bubble burst and it fell by 57 percent.

Between March 9th, 2009 and December 31st, 2014 the S&P 500 rose an astounding 204 percent.

When this bubble bursts, how far will it fall this time?

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This article first appeared here at the Economic Collapse Blog. Michael Snyder is a writer, speaker and activist who writes and edits his own blogs The American Dream and Economic Collapse Blog.

SO YOU THOUGHT ONLY GOLD AND SILVER PRICES WERE RIGGED? (AND FOREX, AND LIBOR ...)

Everett Millman; Coinweek; via Activist Post

(As a tangential comment to this item, reports of both 'non existent' and 'disappearing' gold and other bullion have been rumbling along, on and off, for several years. When this finally erupts could that be the biggest banking fraud scandal of all? - Ed)

It seems that not a week goes by without word of yet another scandal relating to big banks meddling in the markets in order to derive illicit profits from manipulated price movements. At this point, it's becoming a tradition -- the 21st-century version of FDR's "Fireside Chats" with the American public over the radio, perhaps.

Like Roosevelt's conversational announcements over the airwaves, this new tradition is a harbinger of a world in economic disarray and a financial system in peril. Unlike the "Fireside Chats," these contemporary messages to the nation are in no way designed to comfort an uneasy public.

We have endured through the 2012 Libor rigging scandal, the rebranding of both the London gold fix and the silver fix due to tampering and insider trading, as well as this year's revelations that the foreign exchange markets have been subject to rampant manipulation. In each case, the guilty parties (some of them culprits in all three scams) were merely ordered to pay fines while new regulations were implemented. All the while, investigative reports show time and again how the TBTF financial institutions have effectively "captured" their regulatory overseers, and are simply entrusted to police themselves.

The teeth of these "improved" regulatory procedures notwithstanding, it would seem that every benchmark has now been doctored, every market at some point subject to insider manipulation. Every frontier of the financial system has been usurped already, right?

It seemed so until it surfaced that Goldman Sachs and HSBC are being sued by a New York jeweler for rigging the platinum and palladium price fixes for the last eight years. The complaint, which also names juggernauts Standard Bank and BASF, charges that the accused institutions shared insider information about the direction of the fixes in order to manipulate trading and profit from the resultant price movements. The tendency for platinum and palladium prices to move dramatically ahead of the fix, only to return to their pre-fix levels afterward, smacks of artificial pricing. This is essentially the same script that played out in the past benchmark rigging charges mentioned above.

The manipulation of platinum and palladium prices can be rather lucrative, as the two metals enjoy strong industrial demand like their cousin silver, but come at a much heftier price tag: palladium spot prices are currently more than 50 times the price of silver, and platinum is about 50% more expensive than palladium. While silver has myriad industrial applications, the platinum group metals are predominantly used in making catalytic converters for automobiles. Platinum and (to a lesser extent) palladium are in demand as jewelry and investment-grade bullion, especially as a high-value alternative to gold.

Ironically, the price fixes for platinum and palladium were already scheduled to be replaced by a new price discovery mechanism run by the London Metal Exchange (LME) on Monday, December 1. It remains to be seen if any of the new precious metal price fixes will improve the transparency of the process; the word "fix" would euphemistically imply that such an outcome is dubious. If recent history is any indication, whenever one jig is up, there's another one right around the corner.

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