

Where Can We Find Help For Our Nation's Problems?

Today's article continues with the theme of last month's column: to whom can we look for solutions to some long term problems such as higher energy and health care costs, environmental degradation, strained public education, and the aging physical infrastructure that surrounds us? Unfortunately, the traditional sources of solutions, government and business, are some of the main culprits in perpetrating and exacerbating the circumstances of our deteriorating situation.

In a previous article, I described how the structural weakness of our political system, large corporations and mass media have all contributed to a situation that inexorably leads and continues to channel us into unworkable solutions. This is because the solutions from these three pillars of society rest on spending more resources in order to maintain some kind of status quo, all of which results in steeply rising costs for goods and services of quality.

Eventually, this will make living a middle class lifestyle impossible for non-technical wage earners. Except for a few entrepreneurs and those willing to work themselves to the bone, retirement will not be an option for most people. Opportunities for secure and continuous employment will grow increasingly rare. The promises made by both public and private retirement plans to their older workers are bound to be broken. All kinds of payouts must shrink, from social security to Medicare, due to lower returns and a dearth of good long term domestic investment opportunities. The ever burgeoning dilemma of how to provide long term medical care to an increasing number of people who live well into their eighties is not to be found in public hospitals or institutions, nor are private insurance plans a panacea for those few who can afford them.

Let's continue to use the world of energy as an example of these trends. Gasoline prices have increased and are bound to continue to do so over the next several decades. The U.S. government is not going to be able to do anything about this. No amount of political jawboning or military might can change the fact that demand for oil worldwide will increase dramatically due to emerging middle class consumers in Asia, while the discovery of new reserves will diminish over time due to the finite character of fossil fuel resources. It is beyond the government's capabilities to provide us with cheap oil. It can temporarily assuage our pain by sending tax rebate checks in the mail but there is no reason why private companies should or will lower their prices.

The U.S. economy runs on oil and the wealthiest companies in the world are those that procure, transport, refine and sell to consumers. Oil is power. Countries and companies that control oil can dictate their terms of its exchange. The Saudis and Kuwaitis own or are partners with our major banks, media and insurance companies. It is surprising to many Americans how many so called "domestic" businesses are beholden to foreign investors. Let us recognize that we are no longer a free and independent country since

the one major ingredient on which we all depend comes from beneath the desert sands of a far off monarchy.

Our government accurately sees its current job as serving the public by providing support to the giant energy companies so they can compete globally for increasingly scarce resources. Business responsibility extends only so far as the need to project an image of corporate citizenship and protectors of national security. How can we complain about companies who adhere to the marketplace rules we all subscribe to, by taking every action possible to increase share prices for the benefit of their shareholders? In fact, the fundamental combination of government and corporate means has become the definition of a market economy. By many measurements, it has served as a very successful model that has contributed much to world prosperity these past 50 years. The problem, of course, is that our success has led to monumental environmental failure.

There is no question that global warming will exacerbate the pace of suffering and destruction on a massive scale among all living species. It seems inevitable because it is perceived to be a future cost borne primarily by people who do not wield the power to otherwise make substantial and lasting changes. It is a glaring but unspoken failure of our economic system. We all shoulder responsibility for this deteriorating social compact by participating in a consumer driven society where our lifestyles are supported by effortless, cheap, and convenient ways of doing things, largely with our blessing.

The mass media formerly played the role of representing the public's interest in these matters. However, it no longer serves as a platform on which the public can discuss options regarding what responses could be made to the increasingly tight supply of oil. The media companies rely on advertising to stay alive and advertising ties directly to energy consumption. Because of corporate affiliations, editorials cannot seriously rally the public to consider radically different approaches to energy use.

Since we must face the fact that there is no visible leadership or moral compass present in either business, government or the media, what viable alternative might there be? In terms of energy, the most likely solution is going to be nuclear energy because it can largely be kept out of the public eye behind a veil of belief that it is technologically safe and carefully regulated.

America faces a quandary in the energy arena just as it does in medical services. Under the present trajectory, only the very rich will be able to afford a quality of life that we all know is possible. This sets the stage for social unrest, which is unacceptable due to the disruption it causes in commerce. Further control of information, limitations on travel, increased surveillance, and higher consumer taxes are therefore likely outcomes.

Now that we know where not to look for answers, I will move on next month to describe what kinds of non-traditional resources we could draw upon to deal with the looming fiasco. The column will point to local communities organized as friends and affinity groups, all of whom avail themselves of the most traditional source of assistance: the

extended family. There are models of success among these communities which describe skills and training methods that work, as well as viable communication models. And interestingly enough, there is a rich folklore and growing body of stories relating how these creative entities have come into being, replete with coherent value systems that adapt well to the dangerous and unpredictable world we all face. Developing investment strategies to correspond to these circumstances is a daunting challenge!

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