

Reconstitution of Mankind's Self-Induced Failing Civilisations

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Reconstitution of Mankind's Self-Induced Failing Civilisations

“Commerce, which ought naturally to be, among nations, as among individuals, a bond of union and friendship, has become the most fertile source of discord and animosity”. Adam Smith, 1776

This essay deals with current disastrous national failures across the world due to long-continued sleight-of-hand wealth subtractions from both societies and their natural capital environments. Hence, accumulating industrial activities stemming from the mercantile political economy that Adam Smith described and condemned have persisted, shattering social and environmental systems beyond tolerable limits. Consequently, social and environmental damage so extreme it threatens future life on earth. The historical process is described, analysed and possible remedies proposed.

Regarding these mercantile political economies, one might think the issue is simply economic. In one sense true, yet its basis is fundamentally social, its origins and outcomes built on engineered exclusive minority privileges within human society. We say ‘engineered’ because that development is a complete reversal of the way pre-historic humans evolved, working together cooperatively; i.e., exactly what enabled their survival. For example, as Australians we know how Britain’s colonisers found our indigenous people living, hunting, gathering, sharing and trading between ‘park-like’ areas established by nature’s waterways. (BG; JD, RW). Not formally ‘democratic’, but intuitively long-term sustainable behaviour.

In contrast, following the chancy ‘birth’ of settled agriculture across the Fertile Crescent, accumulated surpluses enabled dominance-minded individuals set on ‘wealth creation’, to engage in conflict between competing groups, - eventually, nations, empires, alliances, etc. Yet, since the natural world was endowed with more than enough to sustain all in comfort, that aggressive self-defeating road was always seriously flawed, not only morally but because it could never establish the cohesion essential to sustain balanced civilisations. And now, disastrously expanded, this flawed system is fast impoverishing the world via resource depletion, pollution, climate change, biodiversity loss, sagging economies and ever-increasing catastrophic wars. Thus, we approach the point of no return, (JD; BD)

However, let’s begin with the current state of Australian society and its economy. Bad enough, but given its high dependency on that of the US it appears likely to get worse. But it never needed to be that way. Likewise, that of the US. It escaped from the West’s 1929 Great Depression late 1941 when its industry began producing arms for WW2, its economy thriving throughout the war, (DK) Then at war’s end, without

debating possible alternatives, it opted to continue arms production as the essential prop to guarantee high level economic activity. And yet, having emerged from the war intact, still an undamaged bountiful country, it could have led Western and other societies into a sustainable Depression-free world based on principles of fair trade, such as those of Adam Smith, 1776, (AS_WN)

Let us recall that in Smith's day, although the term 'capitalism' was not in use, both working and natural capital were essential to all economies. At the same time, Smith recognised that for social cohesion there existed an urgent need for fairness in a goods and services (equal value) exchange system, as well as to prohibit monopolies and other scams, including the already common European practice of colonisation cum exploitation of foreign lands and peoples (slavery included). For, already under the 'mercantile political economy' of the day these features involved war on overseas peoples, as well as frequent wars (contending for the spoils) between the Western powers themselves. Smith's views on the disastrous effects of this system are very clear, as here, "*...nations have been taught that their interest consisted in beggaring all their neighbours. Each nation has been made to look with an invidious eye upon the prosperity of all the nations with which it trades, and to consider their gain as its own loss. Commerce, which ought naturally to be, among nations, as among individuals, a bond of union and friendship, has become the most fertile source of discord and animosity. The capricious ambition of kings and ministers has not, during the present and the preceding century, been more fatal to the repose of Europe than the impertinent jealousy of merchants and manufacturers. The violence and injustice of the rulers of mankind is an ancient evil, for which, I am afraid, the nature of human affairs can scarce admit of a remedy. But the mean rapacity, the monopolizing spirit of merchants and manufacturers, who neither are, nor ought to be, the rulers of mankind, though it cannot perhaps be corrected may very easily be prevented from disturbing the tranquillity of anybody but themselves.*" (AS_WN, IV. 3. 38 ; c.f., also IB4, 10-13, 19-26 ; UNESCO)

However, despite Smith's common-sense advice, such unjust behaviour was upheld, eventually leading to two mutually-destructive catastrophic World Wars, the origins and tragic effects of which the present authors, review [here](http://www.anu.edu.au/emeritus/members/pages/ian_buckley/The_Wests_Long-failed_Economic_System_-_Where_to_from_Here.pdf), (see pp.1-3) http://www.anu.edu.au/emeritus/members/pages/ian_buckley/The_Wests_Long-failed_Economic_System_-_Where_to_from_Here.pdf.

Historian Paul Kennedy and Winston Churchill outlined WW1's truly disastrous results. (PK, 359-6, 30-67 ; c.f, WC2, WC3, WC4, 22 ; JFK1: BT1). Such mutually counter-productive outcomes should have stopped short the aggressively competitive system responsible, but instead victors Britain and France put total blame on Germany and, in true mercantile style, took over its African and Middle East colonies. However, once the West's fragile economies collapsed into the Great

Depression (1929) Britain unilaterally opted to assist Hitler's Germany to rearm, as, e.g., via the Anglo German Naval Agreement of 1935 (submarines and all). The reason: - British conservatives feared that a Russian communist 'virus' could lure its citizens to revolt and adopt socialism. Hence, as Churchill explained in *'The Gathering Storm'*, throughout the 1930s Britain's Conservatives continued to give practical support to Hitler's well-known aim to invade Russia. No wonder Churchill described WW2 as, "*the unnecessary war...*", he adding "*...There never was a war more easy to stop than that which has just wrecked what was left of the world from the previous struggle.*", (WC5i, Preface xiv & 250-288 ; MG1 ; IB7, 30-34)

Accordingly, the aggressive mercantile political economic system responsible for catastrophic wars requires far greater understanding, especially as today's leaders retain the same 'mercantile' mindset, regarding still, 'as normal', depressions, regime changes and war. For example, despite the 1945 United Nations world-wide agreement on prohibiting forced regime changes, such to guarantee nation's self-rule (UNC) there emerged further waves of mercantile thinking, e.g., defeated peoples must be punished (c.f., fire-bombing and then nuclear bombing Japanese cities PDE1; USSBS) and creating new 'enemies'. Russia had sustained by far the heaviest losses of WW2, but because a communist 'virus' might inspire Europe's war-shattered nations towards socialism, the US continued its nuclear-armed military/industrial-economy, naming Russia as justification. Although supportive of 'containing' Russia, former US Ambassador to the USSR George F. Kennan sensed other motives. For example, as Winston Churchill's biographer, Martin Gilbert records, within 3 days of Germany's surrender (May 9, 1945) Churchill's telegram to President Truman, described Russia's ultimate success in driving Hitler's armies back to Berlin, as, "*...this enormous Muscovite advance into the centre of Europe.....meanwhile the attention of our peoples will be occupied in inflicting severities upon Germany, which is ruined and prostrate, and it could be open to the Russians in a very short time to advance if they chose to the North Sea and the Atlantic.*"(MG2, 685-6) Then, in his Fulton Missouri speech Churchill claimed that the Yalta Agreement of Roosevelt, Churchill and Stalin which granted Russia a protective 'sphere of influence' in Eastern Europe had thereby divided Europe with an "*Iron Curtain*". Yet, as Churchill admitted, "*I do not believe that Soviet Russia desires war. What they desire is the fruits of war and the indefinite expansion of their power and doctrines.*"(WC6) Nevertheless, as President Truman indicated, the US's prime instrument to counter Russia's hopes for a communist Europe would be atomic weapons, they being further developed and produced in quantity.

Overlooked, here is the role the USSR played resisting Germany's armed forces throughout the war, its simply enormous losses and, in the early stages of the war, (there being no Allied forces in support) its extreme closeness to defeat. That was a terrible gamble as Churchill must have known as he contemplated the awful

consequences had Germany succeeded in taking over the USSR with its territories and resources. For then Hitler would control all of Europe, plus much of Asia and the Middle East, with no other power (even the US) able to block his aim of world domination. That is, until the US gained enough nuclear weapons to prevent that by destroying much of Europe (making it totally unfit for habitation). And yet never has there been any open discussion of this terrible policy gamble. No wonder Churchill suffered bouts of severe depression.

That aside, George Kennan's response to naming the Soviets as prime 'enemy' explained, *"What I was then advocating for our Government was a policy of "containment" of Soviet expansionist pressures, a policy aimed at halting the expansion of Soviet power into Central and Western Europe. I viewed this as primarily a diplomatic and political task, though not wholly without military implications. I considered that if and when we had succeeded in persuading the Soviet leadership that the continuation of these expansionist pressures not only held out for them no hopes for success but would be, in many respects, to their disadvantage, then the moment would have come for serious talks with them about the future of Europe. But when, some three years later, this moment had arrived - when we had made our point with the Marshall Plan, with the successful resistance to the Berlin blockade and other measures - when the lesson I wanted to see us convey to Moscow had been successfully conveyed, then it was one of the great disappointments of my life to discover that neither our Government nor our Western European allies had any interest in entering into such discussions at all. What they and the others wanted from Moscow, with respect to the future of Europe, was essentially 'unconditional surrender.' They were prepared to wait for it. And this was the beginning of the 40 years of cold war."* (GFK2) More later, but first the so-called 'Cold War'.

Thus, instead of following Kennan's advice, a contrived Russian 'threat' of military penetration into Europe was given to justify the US's ever expanding arms production and militarism. Hence, the NATO-backed nuclear stand-off with Russia plus the US's ever growing economic dependency on arms production and sales, along with military bases and continuous regime changes across the world. Like the views of Albert Einstein, Dwight Eisenhower and John F. Kennedy, George Kennan's comments on the events of this so-called 'Cold War' are highly revealing of its suicidal nature and world-destabilising effects via the nuclear standoff, failure of which (whether by design or accident) would extinguish Western and all other civilisations, (GFK3 ; JFK ; PDE1 ; PDE2 ; IB9, 19-23) Similarly, the US's ever-expanding militarism, weakening its own security, American society's coherence and all claims to responsible world leadership.

For, as Kennan commented, the US's military-industrial system had become *"..the greatest single factor in our economic life, overshadowing the peaceful and constructive elements of the American economy.....this military-industrial establishment has become a veritable addiction of American society - an addiction from which American society could no longer free itself without the most severe withdrawal pains. Were the Soviet Union to sink tomorrow under the waters of the ocean, the American military-industrial complex would have to go on, substantially unchanged, until some other adversary could be invented. Anything else would be an unacceptable shock to the American economy. The truth of the matter is that the greater portion of American society that lies outside the defense establishment is rapidly falling in a position resembling that of much of civilian society in northern Europe toward the end of the Thirty Years' War: reduced to trailing behind the armies as camp-followers, hoping to live off the remnants from the military stores and kitchens."*(GFK3; IB9Appendix2; PDE2 ;NeC)

Post-WW2 Regime Changes and Their Evil Effects

William Blum's 'Rogue State' is a comprehensive overview, documenting the large number of nations plundered via such illegal activity as revealed [here](http://kalamullah.com/Books/RogueState2002updeditionWilliamBlums.pdf):
<http://kalamullah.com/Books/RogueState2002updeditionWilliamBlums.pdf> (WB)
We note also a very early regime change, the 'generous' donation (by the US and other WW2 victor nations) of long-occupied Palestinian territory to tragically-displaced Jews aiming to found an exclusive Zionist nation.

That aside, we stress an ongoing post-WW2 link between the 'need' to have a permanent 'enemy' (one requiring the US to have overwhelming military strength guaranteeing high industrial activity) - to its long series of forced regime changes. For both remain important to the US regarding its assumed 'right' to gain and retain world 'leadership' i.e., hegemony, - forced resource acquisitions being essential to its grossly-inflated military industrial system.

The following were two better-known post-WW2 regime changes, Vietnam and Korea. During WW2, Vietnam was occupied by Japan until its defeat in 1945, its independence then declared by long-recognised nationalist, Ho Chi Minh. But instead of recognition, the US encouraged France to recolonise. Resisted, that led to France's Dien Bien Phu defeat and troop withdrawal in 1954. But then, despite the US's clear duty to honour binding UN Charter law, it took over, its military power set on crushing this small weak nation. With the loss of tens of thousands of young Americans and millions of Vietnamese, it was all to no avail, the gravely-indebted US opting out in 1973, (BT2, 289-474)

As historian Bruce Cumings recorded, in 1953 a broadly similar US policy ended in war over another Japan-colonised nation, Korea. Like Vietnam, part civil war,

Korea was also shamelessly illegally invaded, then bombed more intensely than any other in history, - yet a war never fully resolved, it 'ending' with a mere 'ceasefire' (1955) which persists to this day. (BC1; BC2; BC3)

Hereunder, we confine our regime-change outline to those in the oil cum gas-rich Middle East, starting with Iran. In the early 1950s, when Iran's elected Prime Minister nationalised its oil industry, British and American interests contrived to have installed a new Shah, (Reza Pahlevi) who, responsive to US needs, exchanged oil for hi-tech US armaments and other 'favours'. That was much to his peoples' disgust, especially in light of his cruelly repressive rule. Consequently, in 1979 Iranians occupied the US Embassy, the Shah fleeing to the US. The US response was to lift Iraq's terrorist status and purchase *its* oil in return for arms, - soon used in a war against Iran (1980). For that, the US provided Iraq with finance credit, intelligence, chemical and biological weapons, etc. In this 8-year war, over a million young Iraqis and Iranians died, unknown numbers horribly injured.

Technically Iraq had 'won' but that hugely indebted war-damaged nation was soon re-cast as US enemy. Indeed, when Iraq invaded Kuwait over an oil dispute in 1990, the US launched Desert Storm (the 'first Gulf War') including a 'shock and awe' brutal air campaign: 110,000 sorties, 85,000 tons of bombs on Iraq's cities and people, wounding and killing hundreds of thousands (never counted!) it also disabling Iraq's civil life-support infrastructures: water supply/purification, irrigation, power, sewage, communications, hospitals, schools, etc, (CJ, 225-6) Moreover, these atrocities were followed by 10 years of debilitating economic sanctions against civil society, men, women and children, the UN citing 500,000 child deaths. Thus, by 1998 Iraq was reduced to a pre-industrial condition, it utterly crushed, its surviving people greatly impoverished. Needless to say, the above aggressive behaviour involving widespread terrorism directed at another nation's civil population was totally illegal.

End of Cold War: Origins and Outcomes

By, April, 1988 Russia had agreed to return its troops to the USSR from Afghanistan where they had been fighting US-trained Saudi Arabians, Mujahideen fighters like Osama bin Laden, - it recognising the necessity of withdrawing from the Cold War. But once returned to Saudi Arabia, these Saudis became anti-US terrorists involved in two US African embassy attacks (Kenya and Tanzania, 1989) plus another at the base of New York's Twin Towers in February, 1993.

Once Russia withdrew from the Cold War, that might have appeared a total victory for the US neoconservative-economic system to continue 'leading the world'. And yet, since such a 'victory' would undo US 'justification' for its military-industrial system (its critical economic prop) an alternative 'threat' would be essential. Jihadist

terrorism against the US might do, but only if sufficiently destructive. For, only then could full realisation of the ongoing neoconservative ‘crazies’ dream embodied in their *Project for the New American Century* be attained. For example, ‘*The Revolution in Military Affairs*’ to gain ‘*Full Spectrum Dominance*’ across the world and space, - such to justify the newly authorised ‘*Pre-emptive Attacks*’ on ‘*Axis of Evil*’ resource-rich weak states like Iraq, Iran, North Korea, etc., - including the use of low-yield nuclear ‘*Bunker Busters*’ to destroy supposed ‘*underground chemical and biological weapons installations*’, etc, (BC2; BC3; IB1,11C,c-e ; GWC)

At this time a prime US aim was the invasion and occupation of Iraq to gain full control of its vast oil reserves -112 billion barrels (exceeded only by Saudi Arabia’s). But to justify this any terrorism by Iraq would have to have enormous impact, one impossible for such a gravely weakened nation. So, when following the ramming of New York’s Twin Towers by two hijacked US civil aircraft in 2001 these towers caught fire and collapsed to the ground, the initial response was to attack Afghanistan via a ‘shock and awe’ aerial assault on its cities, plus invasion and crippling sanctions aimed at civilians, it being claimed that the country’s Mujahideen were guilty. Although US forces rounded up many Afghans, most held in Abu Ghraib and ‘interrogated’/tortured, few if any could be charged.

With no apologies to Afghanistan, attention turned to Iraq, *it* being held responsible despite the fact that 15 of the 19 terrorists involved in the Twin Towers ramming were Saudis. Nevertheless, the case for invading Iraq was made on the basis of Iraq’s guilt. Moreover, that Iraq possessed vast quantities of hi-tech armaments - including nuclear arms contrary to UNSCR 687 (1991). Put before the United Nations Security Council, the case was examined but failed to gain UN support. Far more confidence lay in UN Arms Inspectors’ reports than those emanating from the Pentagon’s ‘special’ (i.e., via Cheney, Rumsfeld, Wolfowitz) ‘crazies’ intelligence unit which claimed (evidence-free) ‘proof.’ Nevertheless, the US invasion and occupation went ahead in disastrous fashion, Iraq’s Sunni leadership overthrown, its soldiers and police out of work, on the street, Shias and Sunnis terrorising one another, all with chaotic outcomes. Consequently, ISIS taking over in Iraq and (with US support), invading Syria with ever more catastrophic results. (UNHCR; IB9, 30-33)

All this wrong-headed, patently illegal terrorist mess-up was thoroughly documented in 2018 by Professor Jeffrey D. Sachs Director of the Centre for Sustainable Development, Columbia University and Director of the United Nations Sustainable Development Solutions Network. - article [here](https://www.cirsd.org/en/horizons/horizons-spring-2018-issue-no-11/ending-america-war-of-choice-in-the-middle-east): <https://www.cirsd.org/en/horizons/horizons-spring-2018-issue-no-11/ending-america-war-of-choice-in-the-middle-east>. As Sachs points out, “*President Jimmy Carter sent the CIA into Afghanistan in 1979 in order to entice the Soviet Union into a violent conflict in Afghanistan, one that eventually bled the Soviet Union of morale, lives, and finances.*” Indeed, this and the Soviets’ failure to match US military

strength, led to its decision to pull out of the Cold War. And with the Soviets' retreat, the Pentagon's neoconservatives took over, aiming to implement their long held plans for regime change across the Middle East and elsewhere. As Sachs put it "*The link of these wars to the end of the Cold War is not incidental. Former NATO Commander Wesley Clark has spelled out the linkage in several books and interviews.*" (JSa9 ; see also JSa2-8 ; RFK)

Thus, as in his 2007 lecture at San Francisco's Commonwealth Club, General Wesley Clark, commander of the First Gulf War explained how he was taken by surprise when learning of such neoconservative plans: "... *And what happened in 9/11..... we didn't have American understanding of it and we had instead a policy coup..... he said, I just got this memo from the Secretary of Defense's office, it says we are going to attack and destroy the governments in seven countries in five years. We are going to start with Iraq and then we are going to move to Syria, Lebanon, Libya, Somalia, Sudan and Iran seven countries in five years..... it came back to me, a 1991 meeting I had with Paul Wolfowitz you know, in 2001 he was Deputy Secretary of Defense, but in 1991 he was the Under Secretary of Defense for Policy, it's the number three position of the Pentagon. And he said, but one thing we did learn, he said, we learned that we can use our military in the region in the Middle East and the Soviets won't stop us. He said, and we have got about five or ten years to clean up those all Soviet client regimes; Syria, Iran, Iraq, – before the next great super power comes on to challenge us.... It was a pretty stunning thing, I mean the purpose of the military is to start wars and change governments?, it's not to sort of deter a conflict?, we are going to have to invade countries? and you know, my mind was spinning. It was like a nugget that you hold on to. This country was taken over by a group of people with a policy coup, Wolfowitz and Cheney and Rumsfeld and you could name a half dozen other collaborators from the 'Project for a New American Century'. They wanted us to destabilize the Middle East, turn it upside down, make it under our control. All you have to do is read the Weekly Standard and Bill Kristol and he blabber mouthed it out all over the world.... They could hardly wait to finish Iraq, so they could move into Syria. " et cetera. However, it's important to get the full picture by viewing it here:*

<https://www.youtube.com/watch?v=TY2DKzastu8> (GWC)

Indeed, that background is essential to our understanding of all the insane activities that have occurred since WW2. For clearly attempting 'unipolar' domination of the nations of the Middle East has submerged the whole region into an utterly tragic mess, - with millions of displaced peoples seeking refuge in Europe and beyond. Indeed this, together with the 'blowback' from invaded nations' peoples, accounts for all the ongoing terrorist responses. As Jeffrey Sachs' puts it, "*Terrorism is a frequent consequence of imperial wars and imperial rule. Local populations are unable to defeat the imperial powers, so they instead impose high costs through terror. ... This is, of course, not to condone terrorism. Indeed, my point rather is to*

condemn imperial rule and imperial pretensions, and to argue instead for diplomatic solutions rather than imperial oppression, or war and the terror that comes in its wake.” (JSa9 ; c.f., UNHCR)

Hence the urgency of the West’s open recognition of that obvious reality and of common-sense political and diplomatic measures to reform the belligerent economic system described by Adam Smith and later extended in Paul Kennedy’s classic, *“The Rise and Fall of the Great Powers, Economic Change and Military Conflict from 1500 to 2000”* (PK). For there we see how, via Europe’s corrupt background of ‘religious’ wars, allegedly ‘Christian’ nations engaged in power struggles such as those of the Thirty Years War (1618-48). And later, how Europe’s maritime ‘Christian’ powers plundered other peoples’ riches across the world via colonisation, exploitation, slavery etc., - such also exacerbating their wars ‘over the spoils’ with one another. (UNESCO)

From this early modern period, politico-economic attitudes remained much as Adam Smith described them in *“Wealth of Nations”*. For there he exposes the workings and dire outcomes of what was already an established ‘mercantile political economy’. Like his friend Edward Gibbon, he recognised how then-current business practices were greatly influenced by the ‘exclusive’ mind-set of the feudal past. Understandably, moral philosopher Smith saw current practices of Europe’s elites as totally unjust, they hinging on cheating the home citizen majority via monopolies and other scams as well as plundering the resources of colonised territories. Added to which, Europe’s colonisers’ bore serious human and financial losses due to those repeated wars with one another. What Smith sought instead was a fair-trading system devoid of ‘exclusive’ ‘special interest’ groups channelling societies’ wealth to themselves. Like all economies, that would depend on capital, both working and natural (the ‘bountiful gifts of nature’), yet used in ways that preserved nature’s integrity for common access (the commons) as well as conserving it for future generations, (e.g., AS_WN, IV.7.166 et seq.; IB4, 19-22) Nothing radical, just well thought out common sense. However, such ideas were strongly opposed by the ‘exclusive’ folk who have ever since misrepresented Smith’s message or did their best to obscure it. For, as they recognised, a fair-trading economy would deprive them of their ‘special status’, their ‘rights’ to monopolies, to under-pay the domestic majority, to plunder foreign peoples’ resources and otherwise steal (including by war) i.e., block their ill-gotten gains. For those assuming a lack of relevance to economies today, see Adam Smith historian Gavin Kennedy’s blog site *‘Adam Smith’s Lost Legacy’* for his ‘Comment’ following on Ian Fletcher’s: *What is Wrong with Mercantile Political Economy’*, <http://adamsmithslostlegacy.blogspot.com/2011/02/what-is-wrong-with-mercantile-political.html>, this outlining, “.....what was involved in the history of mercantile political economy in Europe, which survives today in practically every industrialising country..”, (GK)

Wanting to support business, most economists have avoided debating Adam Smith's case for basic economic reform, fearing it could unsettle that undoubtedly precarious system. In one sense that might seem 'understandable', yet the plight of today's faltering Western economies demands an urgent re-think, debate, and appropriate remediation. Compounding world debt is more than bad enough (see below) but in current excessively militarised times, co-existing international tensions over trade and hegemonic power could trigger far far worse. Just think of Smith's wise warning of 1776, c.f., p.2 above.

So, let's reflect on Smith's wisdom, sense of justice and foresight, since by following such wise counsel the world could have saved its people from the long series of wars leading to catastrophic world wars like WW1, WW2 and those of today. (IBNF13; PK, 359-60; 367-8). For, as long as Smith's warning continues to be ignored, our civilisations will suffer ever increasing disabilities, catastrophic environmental degradation, poverty and wars. Indeed, already now, humans (like all biota) are 'on the brink'.

And yet, Smith's review of how Europe's aggressively competing mercantile systems originated and thereafter increasingly impacted societies across the world, both summarises the problem and indicates straightforward solutions. For example, *"The discovery of America, and that of a passage to the East Indies by the Cape of Good Hope, are the two greatest and most important events recorded in the history of mankind. ... What benefits or what misfortunes to mankind may hereafter result from those great events, no human wisdom can foresee. By uniting, in some measure, the most distant parts of the world, by enabling them to relieve one another's wants, to increase one another's enjoyments, and to encourage one another's industry, their general tendency would seem to be beneficial. To the natives however, both of the East and West Indies, all the commercial benefits which can have resulted from those events have been sunk and lost in the dreadful misfortunes which they have occasioned. At the particular time when these discoveries were made, the superiority of force happened to be so great on the side of the Europeans that they were enabled to commit with impunity every sort of injustice in those remote countries."* (AS_WN, IV.7.166)

Thus, once Smith's wisdom is recognised as common-sense reform enabling economic justice and sustainability, prompt action offering eminently practical solutions stand out. Indeed, that vital message was wonderfully conveyed by Jeffrey Sachs in his BBC Reith Lectures given in 2007, found here: *"Bursting at the Seams"*, Reith Lectures, (1-5) BBC, 2007:

<http://www.bbc.co.uk/radio4/reith2007/lecture1.shtml> Also available as Texts, see especially Sachs' insightful comments throughout Lecture 5

<http://www.bbc.co.uk/radio4/reith2007/lecture5.shtml> - Sachs' tribute to Smith and his ideas on how to reform the world's mercantile political economy into one that,

could indeed put justice at its centre, such enabling the commonly desired mutually-satisfied peaceful world. (JSa1) See also Buckley and Fominas, http://www.anu.edu.au/emeritus/members/pages/ian_buckley/The_Wests_Long-failed_Economic_System_-_Where_to_from_Here.pdf (IBNF13) plus *Learning from Adam Smith*” <http://www.britishempire.co.uk/article/adamsmith.htm> , (IB4), and Hobson, John A. *Imperialism: A Study*, James Pott, New York, 1902. <http://www.econlib.org/library/YPDBooks/Hobson/hbsnImp.html>. (JH)

In accounting for the disastrous mercantile system’s long extended existence, it is clear that despite making national economies weaker, its principal driver remains the ongoing demands of society’s overly privileged. Hence, inadequate reward to middle and lower-order citizens for services rendered, especially those cheated via sundry scams, monopolies, etc.; and the long continued exploitation and imperial wars on foreign peoples plus those additional wars over the spoils. See IB4, 5, 13, 21, e.g., AS_WN, V.1.55; IV.7.146; IV.8.53. (Please note that the website for Adam Smith’s *Wealth of Nations*’ text, <http://www.econlib.org/library/Smith/smWN.html> no longer identifies paragraphs by number, hence above page numbers relate to the relevant quotes in article on Adam Smith, (IB4).

As Gavin Kennedy stressed, from Smith’s time to the present, the above-noted unjust activities have remained constant features of the West’s economies, the majority’s basic needs increasingly side-stepped. At the same time, the enormous growth in resource extraction coupled to industrial expansion has vastly increased the sheer magnitude of war’s tragic impacts, - millions of lives lost, terrible massacres plus enormous material cum economic and environmental damage. In the case of the World Wars, that is strikingly obvious but additionally, due to contemporary links between finance and militarism, a ‘parasitic’ finance monstrosity has arisen which threatens all peoples and other species due to its assaults on our natural capital, the world of Nature. Hence the urgent challenge to at last remedy societies’ unstable, aggressively competitive declining economies before it’s too late. For, by now what should be abundantly clear is the urgent necessity to install a universally fair system, one that does not hinge on plundering other peoples’ rights, livelihoods, lands and resources, but instead serves as an honest-to-God goods and services trading market. Just imagine: no plunder, simply fair trade!

Giant Finance Parasites and What to Do

Based on extensive research by Professor Michael Hudson, his team and others, a recent short article http://www.anu.edu.au/emeritus/members/pages/ian_buckley/Can_Humanity_Escape_Man-Made_Debt_Traps_and_Catastrophic_Wars.pdf outlines how so much of the Western civilisation’s troubles relate to the increasingly corrupt nature of its long-

lasting mercantile economies. Never having claimed to be democratic, they have always failed to serve the basic needs of the vast majority. Hence, excessive wealth continues to be stolen, it channelled to a self-indulging ‘exclusive’ minority who pay little or no taxes essential for maintaining vitally important social infrastructures (basic services, health, housing, education, welfare, transport, industry upgrades, commons’ restoration, etc.). As above, these fragile economies are not only unjust, but liable-to-collapse due to their dependence on monopolies and other kleptomaniac pursuits, including overseas plunder of other nations’ resources. Consequently, the domestic majority citizenry becomes progressively impoverished, and so increasingly dependent on compounding debt (i.e., credit) to underwrite their essential needs. Thus, demand falls, markets weaken, small business drops out and real employment sags further. (MH1; MH2 ; MH3 ; MH4 ; MH5 ; MH6)

Moreover, what Michael Hudson’s extraordinary research reveals is that despite failing to contribute to the real economy, the increasingly inflated financial sector has taken control of the wealth of many nations by diverting major gains to itself via asset take-overs, off-shore deals, tax avoidance, super salaries, super facilities, buildings, etc. Accordingly, such economies are saddled with a covert predatory corrupt system which not only impoverishes the majority but further undermines the real economy, including its much-needed capacity for sustainable recovery. As Hudson proposes, it acts as a very clever ‘parasite’ which (like a tumour) requires excision. (MH7) Ultimately, these faulty economies could be re-constituted along lines proposed by Adam Smith. But in the short term, given widespread public insistence, a start can be made via measures which abolish monopolies and in other ways establish ‘competitive neutrality’ across the market, as proposed by Nicholas Gruen [here](#):

<https://www.thesaturdaypaper.com.au/opinion/topic/2017/04/15/making-the-reserve-bank-peoples-bank/14921784004504>. See also excellent article by Joseph Stiglitz <http://economics.com/joseph-stiglitz-inequality-unearned-income/>

However, the central problem of the real economies’ serious decline due to wealth diversion to the finance parasites will require concerted public demand. Here, the difficulty faced is well illustrated in the US where the major political parties have become critically dependent on funds/bribes from finance sector ‘giants’ which thereby call the shots. (see Hudson’s YouTube (2) below). For example, following the GFC, US politicians channelled the public’s (tax) revenue to save the banks, leaving the banks’ defrauded victims utterly bereft. (IB7, 70-74)

In other words, US ‘high finance’ overrides democracy, controlling their ‘democratic’ government as well as business. But, in Australia, despite oligopolies’ covert collusion between major banks, insurance companies, etc., appropriate ‘uncoupling’ essential to save our real economy from further decline is still just possible. Also, to support such economic strengthening, the potential boost of funds

from proposed changes to the superannuation system. Ultimately, of course, strong democratic pressure is essential to establish sustainable long-term equitable economies serving future generations, key elements of which Hudson reveals in:

1. Days of Revolt: How We Got to Junk Economics - YouTube
<https://www.youtube.com/watch?v=m4ylSG54i-A>
2. Days of Revolt: Junk Economics and the Future - YouTube
<https://www.youtube.com/watch?v=cMuIoIidVWI>
3. Also, very worthwhile, Michael Hudson talking with Chris Hedges: “*On Contact: The history of debt forgiveness*”:
<https://www.youtube.com/watch?v=AdPukQ96vEA> (Also MH4,5,6,7)

Finally, thoughts to inspire the democratic push essential to save current and future generations. One is to recognise how the wise counsel of Jesus of Nazareth and Adam Smith can get us out of trouble. For these two wonderfully insightful people shared closely allied sympathies towards the kinds of inclusive justice essential to make things work for all. Significantly both recognised a fundamental truth governing species survival. For example, the key role of in-built sentiments that made possible our species survival throughout the tens of thousands of years of human evolution, sentiments that promoted willing cooperation and sharing within and between groups. Hence, intra-group equality and mutually-satisfying inter-group trade, such as practiced across the land by First Australians prior to European settlement. (BG) For, as Jesus and later, Adam Smith would have recognised, both morally and practically the shift to predatory competition had been a calamitous road to follow. Moreover, as Jesus would also have understood, pseudo-religious doctrine in powerful hands would continue to promote untold evil, as occurred during Constantine’s reign when alleged ‘Christians’ massacred ‘non-believers’ i.e., *all* other faiths, - even their own Arians.

Indeed, by Smith’s time catastrophic outcomes were strikingly evident and, with industrial amplification, bound to become ever more extreme, - especially once Imperial Powers enlisted youth by the millions to serve and die in their alleged ‘God-blessed’ causes. But, being fair minded, inclusive, wanting to see justice done for all, neither had time for exclusive doctrine stemming from the self-ordained wealth of the few. In contrast, Jesus and Adam Smith’s focus was on the well-being of the entire human family, indeed that extending to natural justice and shared well-being to preserve the natural world’s living creatures. For as David Attenborough has shown, the sustainability of living creation hinges on multi-level inter-species interactions of profound significance, all disjunctions having serious consequences for survival. The same principle applying to human society, self-serving ‘favouritism’ wrecks societal cohesion, upsetting cooperation, such leading to endless conflict and disorder. To date, unfortunately, the above thesis has failed to

take hold since Jesus and Smith's beliefs and teachings, still at odds with the aspirations of the well-to-do, continue to be systematically suppressed and/or misrepresented into their direct opposites, a recipe for societies' ongoing chaotic failures.

Nevertheless, the above considerations suggest solutions in three critically essential sectors of the world's most serious problems. First, to overcome the world's faulty human relations problems by applying the above-noted justice principles essential for reconstituting our grossly under-performing economies. For, clearly, applying the principles of universal inclusion, justice, and fair-trading would go far towards solving the human relations side of the economic problem.

Secondly, the vastly more difficult problem of the already far advanced deterioration of the world's environments. For that humans will have to exhibit moral strength akin to Jesus and Smith's because of the many kinds of world-wide extreme environmental disorders: - climate-change, resource-depletion, pollution, water availability, species' extinctions, etc. Long warned of, but with scant response. Hence, in the limited time available it will take many reformed morally-based economies working together to accomplish this. Since the continuation of future generations depends on it, strong support will be critical. In *Laudato Si' On Care For Our Common Home* (2015) Pope Francis made clear the urgency of an early solution to this socio-environmental problem, as well as that of the US arms trade, 'money drenched in blood'. A truly wonderful beginning encouraging the strongest public support. (FBR ; JC; BD, DY)

This raises the third issue, that of putting a stop to all forms of terrorism, 'theirs' and 'ours'. For let us remember 'we' not only started it via oft-repeated foreign invasions, but greatly accentuated it via industrialism's amplified horrors as in WW1, WW2, Vietnam, Korea, Iraq, Syria, etc.). Indeed, as Jeffrey Sachs points out terrorism targeting 'us' has always been their response to 'ours'! So, let's apply the obvious solution. For, with all terrorism's tragic lose-lose outcomes, it's high time we did.

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