

Atlas Turns Inward

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In Ayn Rand's novel *Atlas Shrugged*, corrupt politicians and news media succeed in misleading ordinary people into turning against productive Americans. The producers, led by John Galt, therefore withdraw to a mountain sanctuary, and the nation's economy collapses.

The November 2012 elections and media propaganda that has driven the results are in almost exact parallel with Ayn Rand's prophetic book. The news is not about why liberal "progressive" socialists managed to win so many close races. It is that 50 percent of the American people were induced to vote against the producers and vote themselves further into slavery.

In *Atlas Shrugged*, the people never perceived the truth, even when they had been reduced to cross-country travel by horse-drawn wagon trains, with the former railroad beds used as wagon trails.

In 2010 and 2012, our family used Oregon Congressional District 4 as an experimental system to study this problem and to test the available means of solving it. It was one family of productive scientists and engineers against one corrupt politician, his political machine, and the media that he controls. While our experiment continues, the results so far are consistent with Ayn Rand's final result. About 25 percent of the people here understand what is being done to them, and another 15–20 percent have been led to join them. This is less than 50 percent.

After the 2012 elections, one extraordinarily productive American wrote: "I remain dumbfounded by the choices America has made. When the engine of progress in America finally heaves its last sigh, the electorate will blame big business and small business and everything but the government. We have a really scandalous bunch of people delivering news to Americans."

The people, media, and government are acting as Ayn Rand prophesied. The question is, "What will the productive people do?"

The answer 300 years ago was that the productive people left the places of oppression and came to America. The answer in *Atlas Shrugged* was that they retreated to a remote location in the mountains of Colorado. Today, however, there is no safe geographic region to which they can go. If any country in the world with sufficient natural resources offered true permanent sanctuary and reliable protection of life, liberty, and property, the flood of productive refugees would quickly turn it into a miracle of prosperity and abundance.

No country is offering this sanctuary.

We are in the surreal position in which the greatest economic freedom is being provided in a Communist country. There is literally no place for the productive to run. What are the American

producers—Ayn Rand called them the "men of the mind"—going to do?

The corrupt crowd in Washington and the media think that the productive will just keep right on producing, no matter how much they are oppressed. This is exactly what the oppressors in *Atlas Shrugged* depended upon. They were wrong in her book, and they are wrong in 2013 America.

Throughout our country today, the men and women of the mind are turning inward. Driven by their inherent love of productive work, they are designing ways in which they can serve this love within the increasingly oppressive environment that lies ahead.

Those who could have created enterprises that employed 100,000 workers are retrenching their goals to 10,000 or 1,000. Further oppressed, they will retreat to 100, and, if the corrupt continue to ascend, they will be found in their backyard personal shops—having fun and sharing their fun with a few friends like them.

Those of the mind will remain diffused throughout our society, but they will increasingly serve their own self-interest to survive and enjoy their lives. They will build less and less for those who have voted our country into slavery.

Debt Is Slavery

"Slavery!" Isn't this too extreme a term to use? We're not selling members of an oppressed minority on an auction block and forcing them to work in the fields. But let us look at the fiscal facts (see Table 1) and their implications.

How is this debt collateralized?

The snapshot of our nation's cash flow shown in Table 1 does not include the rate of rise of "entitlement" debts, which is an estimated five times worse.

Table 1. Receipts and Outlays of the U.S. Federal Government¹

Year	Receipts	Outlay	Deficit	% GDP
2007	\$2,568	\$2,729	-\$ 161	-1.2%
2008	\$2,524	\$2,983	-\$ 459	-3.2%
2009	\$2,105	\$3,518	-\$1,413	-10.1%
2010	\$2,163	\$3,456	-\$1,293	-9.0%
2011	\$2,302	\$3,599	-\$1,297	-8.7%
2012	\$2,449	\$3,538	-\$1,089	-7.0%

Amounts are in billions of dollars.

For completeness, I included the “percent of GDP” numbers, which are bogus. The gross domestic product of the United States now includes so many unproductive elements that it is becoming meaningless.

We can see that government receipts have risen almost to the level of 2007, but the deficit remains at more than \$1 trillion. This \$1 trillion is \$10,000 per American family per year. Meanwhile, estimates of unfunded financial obligations of the federal government run from a low of \$50 trillion to several-fold more. The smaller figure is \$650,000 per family. The interest-bearing part (\$16 trillion) is \$160,000 per family.

The collateral is the future labor of Americans.

Annual family income is now about \$50,000. If the average family labors half of the time for the federal government (and lives at the poverty level on \$25,000 per year), they will labor for 26 years to pay their share of this debt, excluding interest. If interest rates rise to 4 percent (5 percent is the historical norm), these families can never pay the debt.

Roughly estimating and assuming reasonable interest (the unfunded obligations also require virtual interest), Congress has pledged about half of the lifetime labor of the American people—even those not yet born—to involuntary servitude as collateral for debt. “Involuntary servitude” is a nicer phrase for “slavery.” Illegal since the Civil War, this is nevertheless our situation.

And, \$1 trillion more interest-bearing debt and several more trillion in unfunded obligations is being added each year, which erases any chance of escape of American families from this debt.

A young American family that avoids debt by not buying a home through mortgage (or being trapped by the immoral spiral of college “costs” offset through a mutually beneficial arrangement between overpaid academia and the government with student “loans”) is cast into slavery anyway by the simple act of being a taxable U.S. citizen.

Nor do the “poor” escape. It is estimated that, on average, everything we buy carries a 22 percent tax—the accumulated taxes of those who produced and delivered it to us. Moreover, the marginal utility of each dollar for a poor man is much higher than for the affluent.

The stats take half of everything we earn and then use that money (through 300,000 federal laws and regulations administered by bureaucrats they pay with our money) to make us miserable while we try to spend the other half.

No doubt we should all remain immersed in the “news,” watching our elected slavemasters discuss minor rearrangements in this situation. Our masters include the corrupt politicians and the bureaucratic retainers they employ—public employees who already receive twice as much pay and benefits as their private counterparts.

Yes, there are some Americans in the private sector whose incomes permit them to live well even after they have paid their share of the service of this debt, but they are currently being demonized in preparation for new laws to confiscate even more of the money they have earned. Envy is a powerful political force.

Notice the terminology. A student who has high academic performance as compared with his peers is said to be “smart.” He is not said to “study hard.” The “smart” designation deprives him of credit for his accomplishments.

Similarly, an affluent man is said to “have” money. Or he was “lucky” or “fortunate” or “advantaged.” He “got” money. How often do you hear it said that he “earned” money?

Congress is now moving more and more capital from the private sector to the “public” sector to service the people who keep them in office. This causes a net loss of capital, which the American people need to earn the \$50,000 they require just to continue to fight their battle for survival on this merry-go-round.

The Ultimate Outcome

Our campaigning door-to-door is educational. With median incomes as low as \$38,000 per year, the formerly prosperous rural counties of Oregon District 4 are illuminating. Deprived by federal regulations of access to their timber resources (with full approval by their leftist congressman), most of the homes are empty during the day with both parents working and the toys of the children in the yard. Many of the houses need paint and are generally in disrepair. Some are vacant. These are hard-working middle-class Americans, whose prosperity has been destroyed by poor representation in Congress. We won the election in these counties but lost in the cities. So, we cannot help them.

Throughout our country after November 2012, the men and women of the mind are reordering their professional priorities. They will do less. And, the misled electorate will howl even more loudly for their heads. And, they will do less, and less, and less.

And from their graves—if such is possible, those who founded our great constitutional republic are roaring, “NO!” Those who gave us our freedom, those who did their best to secure our freedom, and the millions who have given their lives to protect our freedom may still prevail. The outlook is, however, grim. Ayn Rand may still be proven wrong, but the experimental evidence is not good.

There are only two outcomes. Peacefully elect a Congress that will stop this madness—a very low probability event, but we are morally obligated to try. Or, chaos—tune into an Internet video of the beginning of the riots in Europe and North Africa (just a tiny taste of the future) for an introduction.

What we have already lost would take a generation to rebuild, even if our oppressors withdrew tomorrow. Current political momentum suggests that if trends continue, it will take two generations. And, there may be, if we cannot stop this onslaught of tyranny before long, no way back at all.

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REFERENCE

- 1 The hard fiscal facts. *Wall Street J*, Nov 12, 2012, p A16.