

# *It's* **Worth an Opinion**

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## **Op-Eds**

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### **Kudlow Kapitalism**

Larry Kudlow rants and raves, interrupts, condescends, and is generally obnoxious. And that's on a good day!

And he's repeatedly wrong so much of the time it becomes painfully excruciating to listen to his mantric rhetoric.

Kudlow is vocally a capitalist, a supplysider, an advocate of free markets and the rights of his capitalist colleagues to make all the money they can; uninhibited and unregulated. And damn if he doesn't want them to be allowed to keep it all.

There is nothing wrong with capitalism. In its purest form capitalism is a powerful force. It promotes economic growth, stimulates investment, and encourages participation. It rewards innovation, hard work, and risk taking. The definition of capitalism is: a system in which a country's trade and industry are controlled by private owners for profit, rather than by the state.

Over-regulation can slow the very growth capitalism is meant to stimulate. Under-regulation, though, has its own adverse consequences. There are strong signs that capitalism must again be reigned in and regulated if it is going to survive.

Not all capitalism is good. Kudlow Kapitalism, the variety of capitalism Larry Kudlow subscribes to, could be categorized as predatory capitalism. It's destructive to society and, in our current situation, is responsible for breaking down the entire global economy.

Yet, Larry Kudlow still promotes it.

Predatory capitalism, a by-product of capitalism, is impure and motivated by greed and narcissism. Make no mistake, this economic crisis was the creation of predators, rapacious capitalists, much like those of the late 20's who caused The Great Depression.

Kudlow's embodiment of capitalism advocates thievery and debauchery, lying, cheating, and deceit. Manipulation and dishonesty permeate today's corporate structure. A false sense of entitlement of top executives is prevalent in corporation after corporation, industry after industry. The level of arrogance and hubris among many of the nation's top executives, even those that have basically destroyed their corporations, is disgusting.

In the 1930's this perception of entitlement led to an increase in poverty, an increase in crime, long soup lines, destroyed families, and lost fortunes. Predatory capitalism is once again at the heart of our potential slide into poverty; only this time it's global.

Some will argue that capitalism has survived in the United States for 240 years and one would have to agree. A high percentage of Americans are against nationalization, and rightly so. Government's have shown many times that they are incapable of, or have difficulty, running things efficiently. But we cannot ignore the fact that there have been a few diffi-

cult times for capitalism in our stellar history. Growth can sometimes get out of hand.

At various times the government has been required to take over businesses and institutions in order to save capitalists from their own inadequacies and indiscretions, from their own greed and avarice, their own destructive behavior. The Savings and Loan scandal of the 1980's was such an example. The FDIC and Resolution Trust Corporation had to unwind the crisis and successfully put the banking system back on the right track. But it was costly to the taxpayers.

As great as capitalism is, it needs to be cleansed from time to time. That time has come again.

There has been no greater example of predatory capitalism than in financial services. Again, just like in the late 20's, banks, insurance companies, and mortgage lenders are guilty of rampant, unregulated misconduct that has required taxpayer's help to avoid bankruptcies and a complete collapse of the global financial system.

But Kudlow, blinders firmly in place, despises government intervention, paranoid that it will lead to nationalization. He fails to see that if his brethren had any control over their greed and avarice, government intervention would not have been necessary.

Larry and I agree about one thing. In a capitalistic system some corporations are going to fail. Clearly some of the big banks would have failed without the government stepping in, but were they right to bail them out? Would it have been right to let them go under? A tough question indeed. We had an opportunity to find out and could have handed these failing banks over to the FDIC. But instead the bailout path was chosen and the FDIC may still have to be called in to take over some big banks.

Kudlow hates TARP. So do I, but for a different reason. Larry fears the government control while I despise the fact that these sleazy organizations are being given very cheap money even though they are huge failures.

The purest form of capitalism is one that achieves a perfect balance.

When capitalism gets off balance it becomes ugly. When capitalism is allowed free reign, unregulated, and absent oversight, it will derail. The damage done overshadows the positives that abound in capitalism.

Greed, selfishness, and ego are but a few human traits that, if left unchecked or not tempered with reasonable regulation, will destroy the spirit of capitalism.

Prior to The Great Depression greed and unrealistic expectations of right of wealth led to the erosion of the middle-class and was the cause of the eventual class warfare. The declining middle-class has become a formidable foe to the greedy excesses of the current wealthy-class; the Robber Barons of the 21st century.

The level of greed present in today's economy is the cause of the rift in classes, widening as the overall economy slides into the abyss; dragging down everything and everyone with it. And the fight will rage on until a balance is achieved.

There is no place in a healthy society for greedy capitalism; no place for Kudlow Kapitalism. A society that embraces Kudlow's theory of economics is out of balance, Any society that believes laying off thousands of workers so that over-paid executives can retain their over-the-top salaries, is destined to fail.

According to the laws of Kudlow Kapitalism, hard-working Americans deserve only what their wealthy executive managers decide they deserve. This form of predatory capitalism approaches enslavement and working-class people will only be held down for a certain period of time.

We've been on a predatory path for nearly 28 years and many missteps have been made along the way to bring us to this point; the possible total collapse of the global financial system.

Some economists, journalists, and analysts want us to continue on the same economic path, claiming that capitalism will correct itself. But the Milton Friedman theory of economics has failed and, hopefully, predatory capitalism with it. Any

system that benefits the few at the cost of many is destined to fail. The band-aids they have used for years are no longer adequate to stanch the hemorrhaging. Supplyside economics is dead.

Capitalism is still the best financial system in the world. But this form of capitalism is not good for me, the United States, or the world. I desire to live in a capitalistic society; one where my hard work and ideas can thrive. One of balance. Not Kudlow Kapitalism.

It's not the capitalistic society that I want to live under.

Let the revolution begin.