The Wonder Springs Chronicle

12 August 2009; Volume 11, Number 32

The Wonder Springs Chronicle

Contact Information:

Jerry Bannon
Publisher
Wonder Springs
36 Merkel Road
Kettle Falls, Washington 99141
phone: 509.496.5855
blog: www.wondersprings.org email: jerryb@wondersprings.org
chronicle@wondersprings.org

©2009; non-commercial education & forwarding encouraged, please give a citation credit all other rights reserved. This work is licensed under a Creative Commons Attribution-Noncommercial-No Derivative Works 3.0 United States License.

For past Chronicle *archives or to subscribe to this weekly email please visit our web site at: www.wondersprings.org*

Twenty-first century Monopoly is not played on Main Street.

Back when I was in elementary school, many summer days were passed playing Monopoly. Most games were over in an afternoon; some took a couple of days. One that I remember dragged on for a week, for we were all so rich and the wealth so equally divided that no one ever gained enough of a strategic advantage to defeat the others. Eventually we just called it a draw and went out and rode our bikes.

The game of Monopoly was invented in 1935 by Charles Darrow during the real Great Depression, and uses simulated property and imitation money, by which each player attempts to amass all the imitation wealth and thus win the game.

If you pause for a moment and think about it seriously, the cause of this deep recession was a lot a people playing a global monopoly game, using simulated property and imitation money in an attempt to amass all the imitation wealth and win the game. The problem is that the global level game goes on, and nobody anywhere, except those living within local enterprise Main Street seem to understand the illusionary nature of the pursuit.

None of this twenty first century Monopoly relates to the real world, where people are trying to get by with what is left of real money, no longer trying to get ahead, but just holding on until hopefully better times will again give them true hope for a better life.

For the last month or so the global Monopoly players have been encouraging each other that the recession has at least bottomed out and it is time for the depression to give way to active trading in the hopes that reality will soon catch up. The concept of buy low and sell high is tempered with the knowledge

you can at least sell short. Just in the last century Monopoly game. you have to buy when the opportunity presents itself, or else you will be left behind, and never make up the difference.

This week with the two day meeting of the FED, as well as other economic data from the United States and around the world, that enthusiasm has been tempered awaiting a real world reality check. As of this writing it seems that all the optimism may have been a bit premature and that the recovery when it comes will be long and slow.

The problem is that because of the recent consumerism financed by excessive debt, followed by meltdowns, bailouts, economic stimulus plans by government deficit spending, and massive increases in the money supply by the FED, finding a true reality in all the mess is going to be quite difficult. Furthermore under current definitions, long and slow is defined in weeks, perhaps months, but definitely not years. Patience is something long exiled to a distant land, called in economic terms, Main Street.

Perhaps the greatest Monopoly optimism thus far, other than the hope that we have successfully bailed out the financial institutions, is the price of oil. As oil climbed last year to over 140 per barrel, many said that it was just the market at work; demand or potential demand was pushing up the price. A few, including here at Wonder Springs, said that it was primarily speculation, coupled with collusion between the oil companies and the oil producers.

Earlier this year the Saudi's announced that the price of crude was soon going to go to 70 per barrel and shortly it did. Last week optimistic trading raised the price briefly to over 76, but with this week's reality check it has fallen to slightly less than the 70 figure.

So the question becomes, "What is the real free market price of anything?"

In the real Monopoly game, everything had a price and a rental or usage fee. Even though the property and the money were both illusionary, the game still functioned well, because the rules made the game work, and if there were any questions, the game came with rule documentation.

So what are the rules in the twenty first century Monopoly game?

It would be easy to say that there are no rules, but that would be overly simplistic, for simulated property and imitation money would not exist, except for some set of rules somewhere. The old golden rule of he who has the gold makes the rules, doesn't fit either for none of the money anywhere in the world is based upon gold. The only true concept of national rule making stems from the national central banks, but they are somewhat focused upon national sovereignty and prosperity, and only in the broader sense to they cooperate for the human good. In the pithy sense the rules are made up by the players, as they believe it will be to their advantage, which is just another way to say chaos rules.

In our July 22nd post on "Capitalism's Cancer" we poised three types of capitalistic cancer in the United States. Those three were: Wall Street, Healthcare, and Energy. As it was a few weeks ago, the center of this cancer is still focusing on healthcare, or as it is becoming known ObamaCare.

I agree with the President on two points. 1. Healthcare is the most serious problem facing the economic viability of the United States. 2. The current system of laissez faire healthcare is too expensive and rations services to those who basically do not have corporate or government jobs.

What Obama is learning is that over 60 , the currently covered, are quite happy with their coverage and they don't want anyone, especially the government messing with their coverage. The President still doesn't seem to understand, that when he says, "Yes, we can" a substantial majority are responding, "No, He can't," or perhaps the "Audacity of Hope," has been turned into the "Audacity of Hype."

However, the "Audacity of Reality," says you need to treat the disease not just talk about the cure. The disease is that free market capitalism really only exists on Main Street in the United States. What passes for the market economy in the United States, has free expunged from the equation. To adapt a thought of Adam Smith, when free is eliminated from a capitalistic market economy, the Invisible Hand that creates true wealth does not function.

Replacing that Invisible Hand is a bunch of faux rule makers in government, education, and the private sector that make and enforce the rules that favor them, individually and communally. When challenged, as we have seen in recent town hall meetings, they don't understand why people don't accept these rules and the protestors do really attempt to challenge the faux rule maker's personal divinity.

The problem with America is not with Main Street and small business; the problem is with these Monopoly players that treat the rest of the world as a game, in which they believe reality emulates from their enlightened efforts, as the following Main Street example clearly shows:

After cashing in on the recent "Cash for Clunkers," you stop into your favorite restaurant to celebrate your unexpected windfall. "I haven't had a good piece of red meat for a long time, I sure am hankering for a 12 oz Prime Rib with all the fixings."

As you are seated at your favorite table and open the menu, you see that the price for your favorite Prime Rib has doubled to 40. At first you are angry when you read in italic print at the bottom of the page:

To our valued customers:

As you can see the price of beef on our menu has risen dramatically. Due to increase demand for beef and holy cows in China and India respectfully, the market price of beef as increased and we have decided to pass those spot prices on to you, our loyal customers.

Furthermore in addition to now pricing our menu to world spot prices of individual commodities, we have had to add a 10 surcharge as our contribution to the national Cap and Trade energy policy, which both China and India respectfully do not observe.

We hope you understand that these policies are required so that we can retain our excellent help, and continue to pay them their year end bonuses of one thousand times their base minimum wage, the tips just aren't the same as they used to be. But be assured as an economy move we have canceled our corporate healthcare plan, and our excellent staff needs the bonuses to pay the taxes on government's new single payer health plan.

Seen through this illustration the Wall Street, Healthcare, and Energy, policies of the new century Monopoly game have a much different application down on Main Street. While designed to be amusing, the above focuses forcefully on leadership out of touch with their Main Street constituents.

One thing forgotten in "Change you can believe in," is an older more relevant axiom, "The more things change the more things remain the same." The original Monopoly game was developed with simulated property and imitation money simply because all the real property and real money were controlled by President Roosevelt's New Deal. During the Great Depression there simply were no real opportunities for normal folks to do anything related to the American Dream other than practice playing Monopoly.

In that same vein, all of President Obama's big government and business too big to fail has had the same effect of making any real property and real money unavailable to Main Street, unless it is able to play by the twenty first century international Monopoly rules.

President Roosevelt, through his fireside chat and other communications, was able to convince the American people, that he was doing all he could to fix a severe monetary and cultural problem. We now know that the New Deal government programs really prolonged the Great Depression perhaps for a decade longer than it would have lasted if the short term monetary contraction was promptly fixed and business allowed to create new wealth rather than relying on government programs.

It seems that President Obama, perhaps reading from the same Roosevelt playbook, is trying to reuse the same communications tools to achieve a better and longer lasting New Deal. He is finding that the United States has not functioned under Chicago liberal political machines for a long time now, if it ever did, even during the Great Depression.

The Great Depression ended when the American people were called upon to fight a greater tyranny than a bloated national government. The greatest generation proved that fascism was an abomination to free people everywhere. Fascism of that era was destroyed.

While still not of that magnitude, twenty first century Monopoly can develop as a similar restraint on individual freedom, not just in the United States, but also around the world. So far the world has shown more restraint than the American federal government. However the American people are beginning to understand the ramifications of their pending future, and "No, He can't," will become "No, he won't" and "Yes, we can" will become the facilitator of traditional American values again finding there rightful role in the American landscape.

Monopoly is a game, it needs to be put back in the box and played by elementary school children during their summer vacations. Monopoly, especially the twenty first century variety should not be allowed as the prime business model in the world, for simulated property and imitation money, should be the tools of fantasy and education, not lasting economic development.

This fantasy economic religion has become the major belief system of much of our self chosen elite. When confronted with the real thing, it cannot survive the test of character. Beyond any other criteria this economic recession should be a call to Christianity in general and the American church specifically to understand as C. S. Lewis proclaimed in the "Chronicles of Narnia," "the deep magic, from before the beginning of time." Church again needs to become immersed in the deep truths of historic orthodox Christianity, and quit giving lip service to all Monopoly players as icons of success.