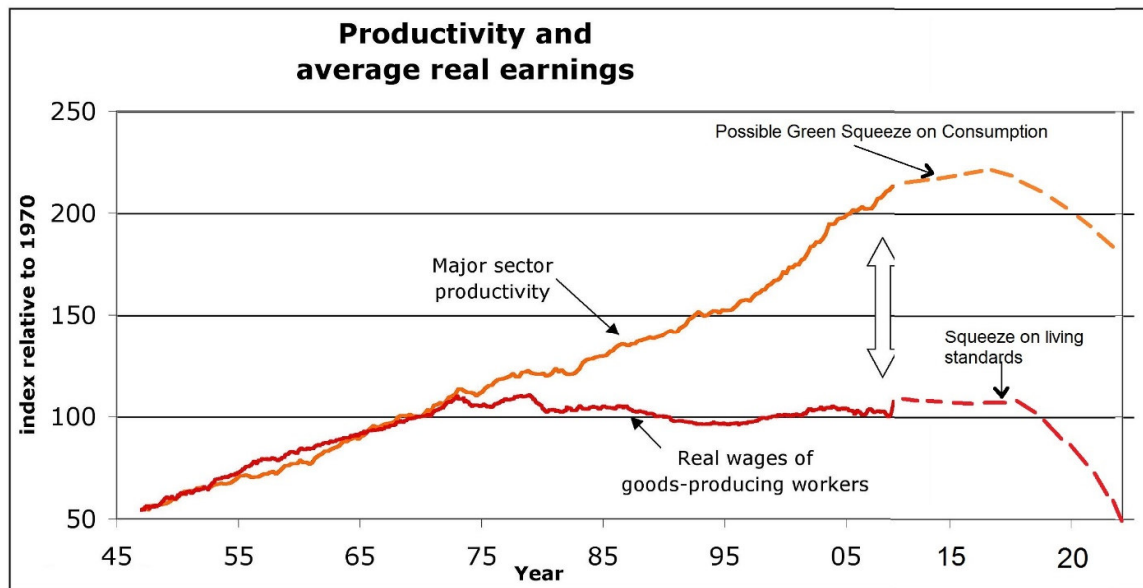


Back To The Future

Author Stephen Marchant July 2019

Are we headed back to a neo-feudal society or the shared prosperity of the post war era? Many would say that if the central bankers retain control of our money and we move to a cashless society the masses will be in servitude to a financial kleptocracy. This is the dystopian view of our future where technology can be used to subjugate and prevent an effective revolution by the general population. Our democratic institutions would be subverted to serve the interests of the elite and even the Green agenda (<http://www.money-liberty.com/gallery/greensqueeze.pdf>) could be hijacked to impose severe austerity and restrict consumption by the masses.

They who control our money could banish the rest of us into a parallel economy of barter whilst restricting our use of resources such as water, electricity and food through effectively applying financial tariffs. As ever more people are herded into cities and large conurbations there are few alternatives that allow self-sufficiency to any meaningful degree. People in rural areas and small towns or villages may fair better but would still have to pay tariffs to benefit from modern technology. The graph below shows how we could see the next recession play out as productivity falls but living standards fall even faster as households are burdened with higher direct and indirect 'green' taxes.



There are signs that politicians are responding to the cries from Main Street as evermore middle classes are also getting drawn down to the lower common denominator. Brexit, Trump, gilet jaunes, Five Star/La ligue, AfD, Podemos etc are all signs that the Establishment order is breaking down but could there be a race towards technological control that allows the elites to prevent these movements gaining traction?

From a more benign perspective let us assume that central banks collapse and there is a return to sound money that cannot be manipulated by the elites and a global banking cabal. There would

initially be much upheaval, but politicians and our democratic institutions would be held to account and could not enslave us with debt. We could return to that post war period (refer graph above) where honest work and thrift was fairly rewarded and society as a whole shared in national prosperity. Whichever Govt we had – right or left biased – they would be constrained by sound money and would have to tax transparently and effectively could be held to account. People could save for their futures knowing that their money would retain its purchasing power rather than having to gamble it in the global casino. Our banking and financial sector would shrink as we returned to an economy with more balance between production and consumption.

The Green agenda could be implemented more fairly, rather than being used as a tool to extract more direct or indirect taxes from struggling households. Individual, national and international targets could be achieved through 'blockchain' – a form of decentralised electronic database – technology (<http://www.money-liberty.com/gallery/bitcarbon.pdf>). We could see a move back to a more people orientated society with milk delivered in recyclable bottles, market stalls serving fresh produce in paper or recyclable materials, more people maintaining parks pavements and other public areas. Some would say this is inefficient but if our people have less work due to automation, robots and AI why shouldn't we allow people to have self-worth by contributing and sharing from a better environment.

The danger is that too many middle classes are struggling to maintain their standard of living whilst having some reassurance that their home – a primary asset – is retaining value in this fiat debt fuelled society. Many, particularly those in large metropolitan areas are also benefiting from cheap services of immigrant labour and therefore do not yet have the 'hunger in their bellies'. As a graffiti slogan I saw on a wall recently stated: "Your Comfort Zone Will Kill You".

Crony capitalism has failed us and laissez-faire has led to plunder of fiat money whilst the masses have been left with scraps from the tables of the elite. Whether we have a neo-feudal future or one of consensus with shared prosperity, we will all face the danger of AI. Even in a neo-feudal future no one is safe, not even the feudal lords as individual greed allows AI to eventually subvert if not destroy all of us. AI could be used for altruistic purposes but left to competitive neo-feudalism could become uncontrollably destructive.

For humanity as a whole to prosper we need to return to sound money that in turn will lead to sound values and sound judgement. To paraphrase a great orator:-

This is not the end of the beginning, but it is the beginning of the end for this 50 year experiment of fiat debt fuelled consumption.

www.money-liberty.com