



American Reality Check

Overview

Everything that is wrong with the American political and governing systems has been on graphic display over the last year. After long, divisive and vitriolic campaign, America has a new President with an agenda that is very different from his predecessor. America voted for change but any new President would be unable to effectively address the many serious problems that all Americans face together even if he/she had the best intentions and plans to achieve that goal.

The feckless and acrimonious, zero sum “you win/I lose” partisan culture in Washington D.C. and the severe national divisions it fosters make it impossible to address the nations problems in serious ways to avoid impending calamities and maximize the prosperity of the American people.

In substance, political ideologies, political parties, private campaign finance and partisanship are oppressive tyrannies that are fostered by the political and wealthy elites to advance their personal agendas at the expense of the American people. It is in the clear interest of all Americans to recognize these destructive tyrannies and eradicate them to avoid inevitable calamities and unleash America to achieve it's full potential.

In truth, the American political system is broken and it will not fix itself absent a major fiscal, economic, military or geopolitical calamity that is a very likely outcome of the self destructive political insanity that has infected American politics and the national discourse.

The American political, education and governing systems must be reformed to stop the insanity and Article 5 of the Constitution offers the legal means for the American people to achieve these goals.

National Insanity

The definition of insanity is doing the same thing over and over again and expecting a different result. America keeps playing the same divisive and self-destructive political games over and over again and expecting better results. It is insane to continue this debilitating cycle to national ruin.

It is no exaggeration to assert that decades of feckless and self-serving political leadership and divisive partisan tactics have dramatically eroded the fiscal, political, economic, social, military and geopolitical strength of the USA. This debilitating erosion will continue toward inevitable national calamities absent reforms to the constitution and governing systems. If you doubt this assertion, you are engaging in willful ignorance or denial or acquiescence to a lesser life in a much more dangerous world.

The first step in avoiding any disaster is to anticipate it and take aggressive action to avoid it. How much longer can America defer fiscal, economic and national security calamities if it's leaders remain devoted to dividing Americans against each other for partisan political advantage rather than uniting Americans to solve the major problems that all Americans face together?

A full understanding of America's problems will reveal that they are so serious that the USA literally cannot afford four more years of partisan vitriol and gridlock in Washington, D.C. This summary is designed to confront you with the realities in hopes of helping to inspire a new age of reconciliation and prosperity grounded in government by consensus and common sense.



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This document will demonstrate that the USA has very serious and debilitating problems with obvious solutions that will not be implemented without major political and constitutional reforms that address the systemic issues in rational, productive and common sense ways.

Historical Context

America's founding fathers were **not** political partisans. They were merchants, soldiers, landowners, attorneys and other men of means who gathered in common cause to challenge the tyrannies of their political status quo. Together they debated the issues of their day with the goal of reaching a consensus that was in the best interests of the American people.

This consensus building approach produced the two most exceptional political documents in human history and launched a new age of human liberty, democracy, economic freedom, innovation, industrial revolution and prosperity that has benefited all of humanity. Their willingness and determination to set aside personal ambitions and risk everything to create a new system of governance and human rights is the foundation of the quality of life that we all take for granted today.

"However [political parties] may now and then answer popular ends, they are likely in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men will be enabled to subvert the power of the people and to usurp for themselves the reins of government, destroying afterwards the very engines which have lifted them to unjust dominion."

George Washington - Farewell Address

"I predict future happiness for Americans, if they can prevent the government from wasting the labors of the people under the pretense of taking care of them." Thomas Jefferson

"A house divided against itself cannot stand." Abraham Lincoln

The concerns of these great American presidents have become reality in modern America.

American Realities

Exhausted with the rancorous acrimony of the 2016 elections, most Americans in 2017 are going about their every day lives in almost willful ignorance to the severity of the many problems that adversely affect all Americans. The reality of the dire situation has been masked by the doubling of the national debt to \$20 trillion in 8 years and allowing tens of millions of Americans to become government dependents.

Nearly half of American citizens are paying no income or social security or Medicare taxes and are receiving some kind of government "benefits". This situation is just as sustainable in the long term as a person quitting their job to live off of their credit cards indefinitely (if government benefits are not available to bail them out).

This insane reality persists because elements of the political elites want people to be government dependants so they will vote for them to preserve their benefits. Their cynical strategy is to create enough government dependents to form a permanent governing majority. This goal has not been achieved to date because almost all Americans would rather have a great job than a government handout. Most Americans only choose the latter as a last resort in feckless education and governing systems that suppress hope.



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If you are a concerned American, please set aside your political beliefs and exhaustion long enough to consider the following realities that are a direct threat to you and the future of your children:

- The American federal government is the largest organization in the history of the world. In 2017, it will **consume over \$4 trillion** of the wealth of the American people with almost no accountability while it suppresses the free enterprise system that is the only source of wealth and prosperity.

Significant government reforms that facilitate rather than suppress the free enterprise system are the only solution. (See below)

- The federal government is designed to consume wealth rather than create it. The only things it efficiently produces are national debt and entitlement obligations at levels that threaten the nation's solvency, economy and the financial well being of all Americans.

America is producing federal debt and entitlement obligations at a rate that is 5 times as fast as economic growth. Much stronger economic growth and government reforms are the solutions. (See details below).

- The federal government has consumed almost **\$30 trillion** of the wealth of the American people since 2008 to produce annual economic growth of less than 2% on average and create 13 million more non-employed adults and food stamp recipients. Economic growth remains stagnant at just above inflation rates because the federal government mindlessly suppresses all of the success factors of the free enterprise system that creates economic growth, jobs and prosperity.

Constitutional reforms, eliminating government inefficiency, bloat and waste, removing excessive and counterproductive regulations and fostering all of the success factors of the free enterprise system are the primary solutions.

- The federal government is consuming wealth at a much faster rate than the American economy can create it. This is why the federal debt has doubled to \$20 trillion since 2008. This huge and rapidly growing debt and ever expanding federal entitlements are a mortal threat to the solvency of the USA, it's economy, national security and the financial future and well being of every American.

“It is incumbent on every generation to pay its own debts as it goes.” Thomas Jefferson

The federal government is systematically squandering the wealth of the American people. A cost versus benefits review of every federal job, law, regulation, organization, department and policy and much stronger economic growth are the solutions. Much lower "non-employment" will also increase tax revenues and reduce government benefits paid out. (See below).

- Interest rates are rising and, if federal treasury rates ever return to their historical average above 5%, America will be paying **\$1 trillion** of interest per year on it's national debt. This will be a huge and potentially devastating de-stimulant to the economy if Americans do not collectively demand that their leaders get serious about addressing the problems.

Much stronger economic growth that produces much greater tax revenues is the only solution to this very real threat to America.



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- America is creating and importing adults **4 times** as fast as jobs are created since 2008. This is why there are 13 million more non-employed adults and food stamp recipients in 2017 than in 2008.

New government laws, regulations and policies that foster the all success elements of the free enterprise economy and education (see below) are the vital keys to creating the very strong economic growth to solve the job creation problem.

- The USA education system spends more money per capita on education than almost all other nations on Earth to produce achievement scores that are not among the top 20 countries in the world. The USA's 20th century education system is largely designed to process students rather than to develop their skill sets to successfully compete in the job markets of the digital age. There is no effective system to match curricula with job market requirements of the future. As a result, high tech and other businesses are too often forced to import skilled workers from other countries while over 100 million American adults are not employed.

The USA education system should be reformed to focus on skill set development rather than knowledge accumulation and memorization alone. A national human resources commission and clearinghouse should be created outside of the federal government as parts of a national system to:

- ***Develop and match people and their skill sets with the job requirements of the future.***
- ***Harness the most exceptional minds and teachers to develop superior curricula, teaching methods and content that can be delivered to every classroom in America to insure equal opportunity of education and elevate national education outcomes to compete successfully in the job markets of the future.***
- ***Maximize the development of the nation's human resources to compete successfully in the global economy of the future.***

Teacher's unions should be outlawed to help remove politics from education.

- Over 100 million American adults (almost 40%) are not working, not paying income, social security or Medicare taxes and are often consuming government benefits at ever increasing rates. This disastrous reality exists because of partisan political leadership that fosters an education system that is designed to create multitudes of government dependents who will vote to preserve their benefits rather than legions of productive and self-sustaining super-achievers who drive innovation, economic growth and prosperity.

A big part of the "non-employment" problem is an education system that does not prepare students with the skill sets to succeed in the job markets of the digital age and does not do a good job of matching education curricula with job market requirements.

The education reforms suggested above should be supplemented with the creation of public, adult reeducation programs that are vital to solving the "non-employment" problem. In the long run, it is much less costly for America to better educate children and reeducate adults to be self-sustaining taxpayers than to forego the tax revenues from their employment and support them with government benefits for life.



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- The American political culture is deeply flawed. It is designed to create senseless conflict through partisanship rather than harmony and prosperity through consensus. This self-destructive system relentlessly divides Americans by race, creed, ethnicity, gender and economic status for partisan political advantage. The result is needless social, political and civil strife and a divided nation that is incapable of addressing the many problems that all Americans face together.

The two party system should be abolished along with similar, ideologically based organizations so that representatives are voted for based on their qualifications, ideas, productivity and consensus building capabilities rather than their political and ideological affiliations.

- The campaign finance system is an abomination that is little more than a legal means for wealthy people and corporate special interests to buy political outcomes from politicians at the expense of the best interests of the American people.

Private political donations should be outlawed and replaced by federal funding of federal elections. This is an absolute necessity to reform the culture and productivity of the federal government.

- The political leadership of both parties in Washington is more concerned with winning political games, maximizing their personal wealth and realizing their ambitions than reaching consensus to solve the problems of the American people and maximize their prosperity. They behave like petulant adolescents with a no limit credit card when they're not busy paying off their supporters from the federal treasury.

Federal funding of federal elections will reduce the incentives and advantages of incumbency to help create better accountability and bring better candidates to government.

- The "progressive" federal income tax system 1) penalizes productivity, 2) suppresses small business entrepreneurs, 3) encourages corporations to move their operations and jobs out of the USA, 4) discourages foreign investment in America and 5) incents American companies to keep \$2 trillion of cash in overseas investments. The tax system could hardly be worse if it was created to suppress economic growth.

The tax code should be reformed away from high percentages of earnings confiscation toward a system that fosters much greater economic growth and earnings. Income tax rates should be reduced and partially replaced by a federal sales tax that will reduce tax fraud and insure that everyone contributes taxes. The sales taxes paid should self regulate based on expenditure levels but exemptions to the sales tax could be provided for people below the poverty level.

- The federal healthcare systems inflates costs, increases taxes, establishes costly entitlements, reduces insurance options, suppresses medical innovations, drives doctors out of their profession and oppresses the small businesses that provide above 70% of jobs and job growth.

A national, online healthcare clearinghouse should be established to promote insurance access and competition across state lines. Tort reform is a necessity to relieve doctors and hospitals from frivolous lawsuits and ordering costly, unneeded and economically self-serving tests and services in an overabundance of caution to avoid legal problems. Health care charges should be regulated like utilities based on actual costs and reasonable profit margins.



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- The social security system confiscates about 12% of worker wages to finance federal deficits at 0% interest rates so that there is no appreciation in the value of the funds over the career of the workers.

Workers should be allowed to invest at least 1/3 of their contributions into equities and other investments that would appreciate in value and enhance the quality of their retirement.

- The SEC aggressively suppresses venture capital formation rather than facilitating it. Senseless laws and regulations prohibit online capital solicitations, limit venture capital amounts and require formulaic offering memorandums that highlight the risks of the scenario but prohibit the stating of the offsetting mitigants and benefits.

The SEC should be fostering the creation of an online venture capital clearinghouse where investors could be qualified/registered and investment opportunities could be presented with risks, mitigating factors and benefits. This online system would attract capital investors from all over the world and stimulate economic growth.

In truth, the modern American governing and political systems could hardly be worse if they were designed to make the economy underachieve, minimize the wealth and prosperity of the American people, drive the nation into insolvency and spark a national security disaster.

American Solutions

America's problems are very serious but obvious solutions are self evident as described above. However, the zero sum "you win/I lose" partisan system prevents them from being implemented. Therefore, major reforms of the American political system are needed to unleash a new age of national reconciliation and prosperity grounded in governance by innovative and productive consensus and common sense.

Such a system is not an abstraction. The American founding fathers were not virulent political partisans who aggressively divided the American people to gain political advantage. They were selfless patriots who risked their lives and everything they owned to create the America that we take for granted today. They proved that Americans can achieve extraordinary things when they set aside partisan considerations and focus on creating the best outcomes for the America people.

The first step is converting the failed political culture into a consensus building contest of productive ideas for the common good rather than a competition of failed ideologies that divide the people for partisan advantage to the collective detriment.

What organization could succeed if it was managed by 535 people who were divided into 2 groups of partisans who spend most of their time trying to undermine each other for political advantage?

What would happen if America started fully developing its human resources instead of fostering ignorance for partisan political advantage?

What would happen if the federal government was converted from a massive consumer of national wealth and prosperity into a much smaller and highly productive facilitator of the free enterprise system that is the source of wealth and prosperity?

What would happen if America abandoned partisanship for government by consensus? Where would America and the world be today if the USA's founding fathers had acquiesced to their failing status quo?



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Geopolitical & National Security Realities

The industrial revolution produced tremendous innovations that elevated the quality of life and prosperity of almost all humans. It also produced technologies that unleashed in two world wars that destroyed the lives of millions of human beings. Consider the following casualty estimates:

Description	Wounded	Deaths	Total Casualties
World War 1	20 million	18 million	38 million
World War 2	100 million	60 million	160 million
Totals	120 million	78 million	198 million

The numbers above are so large that they are almost impossible to fathom in 2017. The increases in casualties from World War 1 to World War 2 are important. It reflects the wider scope of the second war but advances in technology were a substantial reason for the 4x increase in casualties. All of these casualties are the direct result of the following key factors:

- Irrational and self destructive nationalism supported by militarism.
- Technology employed as a means of mass destruction to impose the will of few nations over the rights of other nations.
- Economic weakness, distress and/or opportunism.

It is important to recognize that nuclear weapon technology brought an end to World War 2 and humanity is extremely fortunate that Americans discovered the technology before Hitler or Tojo or Stalin. A third World War has been averted for the last 72 years by:

- The political will, economic strength, military might and technological superiority of the USA.
- The concept of "mutually assured destruction" grounded in the **ASSUMPTION** that nuclear war is an unthinkable concept because it would lead to self annihilation.

Please consider the following geopolitical realities in early 2017:

- The American people are severely divided against themselves by a political system that fosters divisions for partisan political advantage at the expense of the common good and national interests. The political leadership of America is mired in extreme political partisanship that has allowed the economic strength, fiscal standing and military might of the USA to dramatically erode since 2008.
- The American people are losing their economic ability and political will to bear the financial burden of defending the free world against tyranny. The rest of the free world is largely refusing to pay for their own self defense.
- Nationalism is rising in Russia, China, Europe and the USA. The EU is tilting toward dissolution with the exit of Britain and the rise of nationalist parties in other European nations.



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- The American, European and Japanese economies are mired in economic stagnation and unsustainable national debts and entitlement obligations. This economic weakness invites aggression from Russia and China.
- Out of political and economic weakness in Russia, the Putin regime:
 - Promotes nationalism as a rationale for its stated willingness to employ nuclear weapons in defense of its political regime.
 - Ruthlessly suppresses the rights of the Russian people to plunder the wealth of the Russian nation while squandering countless billions of dollars on military expenditures in the name of self defense against a threat from other nations that does not exist.
 - Has demonstrated its willingness to defy international law to attack and annex the territory of other nations and carpet bomb civilians in Syria to preserve a regime that has murdered over 300,000 of its own people over the last 5 years.

This sort of madness and wanton disregard of international law, human rights and human life should be of grave concern to everyone in a nuclear age, especially given the inevitable collapse of the Russian economy that will flow from such policies as it did with the USSR.

- Out of American weakness, irrational nationalism and strong economic growth, China is expanding its military and defying international law to pursue false territorial claims in the South China Sea. The concept that China would risk war and its over \$500 billion of annual exports to the USA to pursue claims to small islands of little economic value should concern everyone in a nuclear age.
- Terrorist adherents of radical Islam have dramatically expanded their reach despite trillions of dollars of investments and the loss of countless lives to contain them. The rest of the world has not united in its determination to defeat this threat that will use weapons of mass destruction to achieve its goals.
- The UN is ineffective in effectively addressing all of the above issues.

Summary

Feckless and self-serving political leaders have divided America against itself and have placed the USA on a path to fiscal, economic, social, military and geopolitical calamities. America's weakness is fostering an erosion in international law enforcement and a rise in challenges from geopolitical adversaries in a nuclear age. The lessons of the world wars and the real threat of future nuclear wars are clear.

The Earth is one Hitler or Stalin or Tojo away from a global catastrophe if America does not pursue political reforms to recover its economic strength and determination to lead a new international order that is grounded in national and international reconciliation and mutually assured peace and prosperity rather than the unstable ASSUMPTION of mutually assured destruction as an effective deterrent in a nuclear age.

As in 1776, the world waits for visionary Americans to arise to lead a new world order that is grounded in liberty, human rights, economic freedom, free enterprise, nuclear disarmament and common sense.

Are there Americans of the caliber of its founding fathers in modern America?

What will become of the world if they do not arise and lead humanity to avoid calamities and unleash a new age of reconciliation, peace, cooperation and mutually assured prosperity?