

“Sh*thole Countries” The Fate Of Modernity And The Case For Localization, Part 2

Modernity, like Schumpeterian capitalism, must grow or fall into crisis. Hence the global obsession with growth as a sign of economic health. As the (Western-centered) “global economy” grows, it overwhelms cultures some of whose members may welcome the promise of a high standard of living but become uneasy and then rebellious when it costs them their traditional beliefs and practices, their land, and their autonomy. They see their traditions becoming little more than curiosities that inspire trinkets sold to tourists on sidewalks in big cities filled up with rootless cosmopolitans, no longer motivating any serious societal dialogue: Cox’s “bypassing” of religion.

Meanwhile, the real power is on another continent, as it pillages the land for natural resources and wantonly pollutes lakes and streams that have been sources of food or water for farm animals and crop irrigation for generations. If indigenous locals try to mount opposition, they may face deadly retaliation. Perkins strongly suggested (Part One) that opposition leaders are assassinated when they cannot be bought.

Sadly, the “ugly American” stereotype has a basis in fact.

Whether Americans want to face it or not, the (often CIA-directed) insurrections, revolutions, and wars, dating at least to the overthrow of Jacobo Arbenz in Guatemala (1954, also discussed in Part One) or that of Iran’s democratically elected Mohammed Mossadegh government in 1953, were undertaken so Western corporations could have access to cheap national resources and remove the profits from those countries. In

Iran, Western educated and U.S. backed Reza Pahlavi, the fully secularized Shah of Iran, proceeded to force modernity on the country while brutalizing its people for a quarter century. An international revolutionary underground incubated and mobilized. It responded to brutality with more brutality. The rest, as the saying goes, is history.

It's all coming to an end. Maybe.

Whether modernity as understood in Part One is just experiencing growing pains, or has run its course, is becoming one of the most important conversations of the present and near future.

There are *rational optimists* such as Matt Ridley (see his 2010 book of that title) for whom the world is getting better and better, thanks to global commerce, technology, and the spreading mindset of modernity. His message to the Pankaj Mishras of the world: stop being so impatient and obstinate about its possibilities. Is it not amazing, the "rational optimist" might ask, that I can log onto Skype and have a live conversation with a friend on another continent? Or send a text message to someone in Singapore and get a response ten minutes later? And as the globalization of technology and commerce lifts more and more peoples, is this not just the start?

The rational optimists have a point. Forget allegations about *neoliberalism*. Their claim is that if we engage the world with intelligence, proper planning, and a spirit holding that even our worst problems have rational solutions, the world will reward us – sometimes in ways we could never have predicted. (Imagine Voltaire looking at an Android. Imagine us looking at devices a hundred years from now; will we know what we're looking at?)

Consider Chile, rebuilt along Friedmanian lines by the "Chicago Boys" (who attended the University of Chicago to

study economics under Milton Friedman) during the Pinochet era. Pinochet was not the nicest guy in the world, especially if you were a communist, but he oversaw the rebuilding of what became the strongest economy and most stable democracy in Latin America. He did unto a thousand or so communists what communists had done to millions elsewhere; for this he is still demonized. When the time came, he oversaw a democratic election. When he lost that election, he accepted defeat and stepped down. Think about that for a minute. A man who had been at the helm of a military dictatorship holds an election, and when he loses it, he bows to the will of voters. How often does that happen? Chile has its issues, as do all countries, but as already implied, it has become a magnet for peoples who have given up on their "sh*tholes" and seek to better themselves. (Venezuelans are also coming to Chile in droves.)

One of the implications of *The Fourth Turning: An American Prophecy* (1997) by William Strauss and Neil Howe is that Crisis we have been in will resolve itself into a new High, with institutions of renewed strength, the anarchic individualism of recent decades restrained, and a newfound optimism about the future for those willing to work to achieve it.

I know of Trump supporters who instinctively see Donald Trump as the vanguard of this resolution, as the U.S. economy improves, the Dow soars, entrepreneurship surrounding new technology (e.g., the blockchain) creates new millionaires who in turn create new jobs, new technology, new products spreading everywhere.

But then again, on the other hand there are those who cite writers from Spengler to John Bagot Glubb (about whom I wrote [here](#), [here](#), and [here](#)) who see civilizations not just moving in cycles but as self-destructing during an inevitable age of decadence (Glubb's term), which in this reckoning the U.S. is presently in. The rootless cosmopolitanism, the filling up of cities with unassimilable immigrants, the obsession with

celebrities, and the fascination with gender-bending of all kinds are crucial signposts. One issue with Glubb's work is that the Anglo-European West has gone through periods of decadence before; early 1920s hedonism figures heavily into the background of a work such as Fitzgerald's *The Great Gatsby* (1925).

Indeed, we've gone through severe crises before (the War Between the States, two World Wars, the Great Depression). We've always survived.

But at no time in previous history have we literally been awash in a sea of financialized debt. Money created out of thin air by central banks, even if we use for it the euphemism *quantitative easing* (QE), literally props up Western economies. The Dow has soared because much of this printed money went into corporate buybacks and not into general circulation; otherwise we would have had soaring price inflation during the Obama years. The U.S. national debt cracked \$20 trillion last year and shows no signs of slowing down under Trump, whose pick for Janet Yellen's replacement at the helm of the Federal Reserve is another mainstreamer with the same philosophy of central bank micromanagement as Greenspan, Bernanke and Yellen.

I presume Trump has figured out, or his advisors have told him behind closed doors in no uncertain terms, that if the fiat money creation stops, the economy immediately tanks.

One need not see this as an *immediate* threat, and perhaps it isn't, but eventually it will exact its consequences. I do not want to be anywhere near the line of fire when it does (one reason I save precious metals, which unlike bitcoins have a track record as a permanent store of value going back thousands of years, and not a mere digital existence)!

What is likely to happen? I don't know. No civilization has ever been in this predicament before.

I do know that a few worried individuals and groups are indeed moving to get out of the putative line of fire. In some respects, I am one of them, although I am still in a major city and not on a farm or similar isolated setting.

There is, however, interest in forming small, self-sufficient communities, some on U.S. soil, others elsewhere such as in Chile. [One of these](#) has all but bitten the dust, for reasons having little to do with the basic idea of forming such a community. [Another](#), by someone who worked at the first and observed what went wrong first hand, is looking very promising.

Borrowing from “alternative” economist E.F. Schumacher, small may turn out to be beautiful. Schumacher learned from having studied (and studied with) Leopold Kohr, whom I discussed in [my last article](#) (and at greater length [here](#)). Kohr, writing in the 1940s when Americans wore the white hats, was the first to predict that the U.S. would become everything it had once rightly opposed.

What does all this have to that hypothetical fellow in Rappoport’s piece who’s seen corruption and ruin, and whose major concern is whether his sick daughter will make it through the night?

Answering this question brings us to *localization*, a counterpoint to *globalization*, and getting past modernity (and I don’t mean into *postmodernity*, which is really a gesture of intellectual and spiritual despair).

Rappoport described what I mean by localization when he said:

“You know how to fix your country. Get back all the stolen land. Make small farms out of it. Return the land to the people who worked it and lived on it for centuries. That was the answer then and it’s the answer now.” (Italics his.)

He continued: “You may not know the word ‘Globalism’ but you

do know you're a pawn and a target in a big operation, and the operation involves stealing everything your family once had. The big criminals may have fancy ideas about why it's a good thing 'for the world,' but you don't know about that, and you wouldn't care if you did..."

We've been talking about two different things, both products of the rebellion against the worst results of globalization and modernity. There are us first-worlders who no longer identify with a power that, in accordance with Kohr's prediction, turned into the world's biggest bully. Some have apocalyptic worldviews and see the financial system as likely to take a tumble "any day now"; others think such views are absurdly melodramatic. Many of us are as worried as the progressives about extreme and growing inequality, which is just the rising power of a relative handful of globalists (as I write this, getting ready to meet in their annual conclave in Davos, Switzerland, to discuss just this issue among others); one does not have to be an egalitarian to see that massive consolidations of wealth and power are both destabilizing and prone to abuse.

Most of us, moreover, are fed up with overseas wars of choice that are just making Americans more enemies. We are fed up with Washington's career kleptocrats whose primary motivation is their own reelection and who play by their own rules. (Members of Congress can legally engage in insider trading, for example.) We are sick of America's celebrity culture, and see it as very dangerous if by some chance we go from Republican Donald Trump to a credible Democratic Oprah Winfrey candidacy which would breathe new life into identity politics, which is all the Democrats presently have (as they routinely evade confronting *real* power, on which they are as dependent as the mainstream Republicans).

So much for us first-worlders. The other group, the one Rappaport emphasizes, consists of indigenous peoples who would happily reclaim their land from corporate predators if they

could. They want only to live out their lives as they see fit and be left alone.

The point of localization: instead of thinking that *bigger* and *bigger* is *better* and *better*, think *small* and *smaller*! Think of building autonomous, self-governing communities, while encouraging indigenous peoples around the world to do the same.

This means kicking out the global corporations, of course. This might not be as hard as it sounds at first glance. Corporations go where they can invest, build freely, and then tally up the profits unimpeded. Even in a place with abundant natural resources, if they believe for whatever reason they will lose huge amounts of money, they'll pack up and leave.

But the people must be ready. Otherwise, they'll end up like Venezuela, a resources-rich country which kicked out the billionaire investment class but whose leaders had no idea what to do next. Chávez had charisma but no viable vision, and since his death Venezuelans have ended up under the heel of yet another sociopathic lunatic (Maduro). Surprise, surprise: those who can are fleeing.

Localization calls for an assumption of responsibility, attention in advance to problems that will need to be addressed immediately when the big players are gone. The first, obviously, is ensuring that they can feed themselves.

When I posted Rappoport's article on my Facebook page, one reader criticized my emphasis on agriculture. I pointed out in response that if members of a community can grow vegetables and raise chickens and livestock, they are self-sufficient. If they can't, they will end up dependent on those who can – or worse.

A self-sufficient community *must* have a sustainable agrarian base. Period.

Such a base also makes extended families possible. Extended families can remain in place and divide their labors more effectively than nuclear families, even those with one breadwinner (now impossible, given the first world's fiat currency's loss of its purchasing power).

Other than such general rules, the specifics must be left to the community members themselves. This includes whether to be Christian or something else, and whether to consider themselves capitalist free traders or something else. What to do with existing technology must also be their choice, rather than something imposed from the outside. If they retain it, they can more easily keep track of what their neighbors and the powers they fled are up to, but this must still be their choice.

Rappoport again, describing how matters look to that hypothetical person with a sick daughter clinging to hope that something better than the awful present is possible:

"Sir, you called my country a sh*thole. It is really a beautiful place. It was. But you're right. It's turned into a sh*thole. Can you help us do something about that? Perhaps I see a glint of light, because finally a powerful leader used an accurate word to describe what has happened to us. You used a word that cut through many fairy tales. So, can you help us reclaim the land that was once ours? Forget about building roads and airports and hospitals and office buildings and malls. We just need our land back, and then we'll figure out what we need to do ourselves."

Can it happen? Again, I don't know. We're talking about a change in thinking as great as that which led to modernity in the first place. Another such change, in light of what is to be learned from the past, will doubtless occupy decades and possibly more. Some attempts will doubtless flame out spectacularly. The players involved will be dismissed by the mainstream as fools. But we did not get to our present moment

overnight, and we will not find our way forward overnight. Those of us studying and theorizing and writing about what to do will almost certainly not live to see the outcomes. But if we do not start making specific plans for our futures, the corporate-government oligarchs, the billionaire power elites, will continue to do it for us. Since nothing this class does is ever done with *our* interests in mind, I very much doubt those who inherit the world we leave them will like the results.

[Author's Note: if you believe this article was worth your time, please consider supporting my writing with a \$5/mo. pledge on [my Patreon site](#). If the first 100 people who read this all donate, my goal of just \$500/mo. would be reached in no time! And if we're honest about it, we all waste that much money each day.

This is an attempt to raise money to publish and promote a novel, Reality 101, to be marketed as the first serious novel of the Donald Trump era, which, so far as I know, it is. In it, a ex-Wall Street globalist technocrat defends his views on elitism and oligarchy before a community wracked by the effects of globalization in a voice filled with irony and dripping with cynicism – to be contrasted with the possibility of freedom outside the world as he sees it.

Promoting a book, in my case, means the necessity of international travel which is not cheap.

I do not write for an audience of one. I write for you, readers of this site. If you believe this work might make a contribution to the world of political-economic ideas, please consider supporting it financially. I am not a wealthy person, and unlike the leftist groups I often criticize, I do not have a George Soros funneling a bottomless well of cash my way.

If I reach the above goal of \$500/mo., I may be able to speak at an event in your area (contact info below).

I allowed myself (via a handful of reader emails) to be talked out of going into retirement at the end of 2017, to give this at least one more year, but due to my own situation, that will be the best I can do.]

[Click here for part 1](#)

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