



## Romney Exposes Inner Ayn Rand

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"He does not understand, because he has no organ for understanding, the necessity, meaning, or importance of other people."

You might think the statement above is just one more stone among the rock pile of insults being hurled at the hapless Mitt Romney for his crushingly stupid decision to tell us what he really thinks about the American people.

Instead, the statement is a description of a protagonist in a novel by Ayn Rand, whose cultivation of the cult of selfishness among those who now imagine themselves to be superior beings may provide the best explanation we have yet for the self-destruction we are witnessing of the Republican Party.

"You have the courage to tell the masses what no politician told them: you are inferior and all the improvements in your condition which you simply take for granted you owe to the effort of men who are better than you," conservative economists Ludwig von Mises once enthused to Rand.

Mitt Romney did Ayn Rand one better. He told the bottom half it was feeble and unfit and did so in the middle of a campaign in which he hoped to convince those 47% to make him their president.

Many fascinating factoids have surfaced since that fly-on-the-wall at the high-dollar fundraiser in Boca Raton gave us a good look at what Jonathan Chait called the "sneering plutocrat" fully in thrall to the "pernicious myths" about individual worth and merit. But the most astonishing statistic may have been offered by New York Times conservative David Brooks when he noted that back in Ronald Reagan's day about 62% of Republicans believed government had a

responsibility to help those who can't help themselves while today (according to the Pew Research Center) only 40% of Republicans believe that.

From that Brooks draws the conclusion that Romney "has lost any sense of the social compact" - as have Republicans generally, who have shifted over toward "a much more hyper-individualistic and atomistic social view," jettisoning the language of common citizenship in favor of one dividing the nation between makers and takers.

"There are 47% who are with [President Obama], who are dependent upon government, who believe that they are victims, who believe the government has a responsibility to care for them, who believe that they are entitled to health care, to food, to housing, to you-name-it," Romney said in the now infamous video, taken at the fund-raiser hosted by private equity manager Marc Leder.

Political analysts are having a field day running the numbers and pointing out the fact that most of the people Romney is talking about in the pirated video -- the ones who pay no federal income taxes and are "dependent" on one government program or other - tend to live in deep red states in the Deep South and who reliably vote Republican.

At the \$50,000 a plate fundraiser last May, Romney said it was not his job "to worry about those people," adding "I'll never convince them they should take personal responsibility and care for their lives."

Yet, according to the Boston Globe, research by the nonpartisan Tax Foundation showed that in 2008, the states with the highest percentages of tax filers who did not pay federal income taxes were: Mississippi, Arkansas, Georgia, Alabama, South Carolina, New Mexico, Florida, Idaho, Louisiana, and Texas. Obama won Florida and New Mexico but lost the other eight, the paper noted.

Those least surprised by Romney's insulting comments are his constituents back here in Massachusetts who have had to endure six year's of Romney's mocking ridicule at our expense as dreams of occupying a house he could not simply buy led him on a frantic journey to remake himself from Boston Blue Blood into provincial Red Neck.

Even Massachusetts Republicans are burning Romney in effigy after he doomed their party's chances to keep its 4-0 winning streak for the Governor's Office alive -- refusing to resign as previous Republican governors had done once they contracted Potomac Fever and instead saddling his lieutenant governor with the chore of explaining why our Dr. Jekyll governor was transforming himself right before our eyes into an ugly, knuckle-dragging Mr. Hyde.

With a track record like that is it any wonder Romney refused to refrain from heaping scorn upon people too old or too poor to pay taxes just because those people happened to be his base?

Other parts of Romney's astonishing comments also stand out. Christian fundamentalists who've never been able to accept Romney and his Mormonism as one of their own may want to revisit (for what it says about Romney's understanding of Christianity) his comment that 47% of Americans think of themselves as "victims" and are therefore beyond his reach.

That comment is especially problematic considering it was atheist Ayn Rand who based her own contempt of Christianity on the fact it celebrated "victimhood" in contrast to the Barry Goldwater belief she subscribed to that "profits" were the "surest signs of responsible behavior."

But the biggest lie Romney told is this notion that it's the little people who deserve scorn for their "dependence" on government instead of Mitt Romney and his fellow members of the ruling plutocratic class.

Romney may think corporations are people too. But if they are they are a Frankenstein's Monster conjured into existence by the government itself so that individuals can do collectively what they could not do on their own - things such as engaging in business without worries about personal liability that might derail all that "risk taking" Romney made such a fuss over while accepting his party's nomination.

Maybe long ago when the nation's economy was dominated by Thomas Jefferson's yeoman farmers, or when there was a frontier to be tamed by pioneers and rugged individualists, the government was a necessary evil at best.

But the movers and shakers who control today's finance-centric economy need government desperately in order to earn their millions making their risky bets while setting up someone else to take the fall, whether it's saps like AIG on the hook for credit default swaps or the American taxpayer asked to bail out banks judged too big to fail.

Purists in the Tea Party or at the Cato Institute or on the editorial pages of the Wall Street Journal can decry this "crony capitalism" all they want and say it's not representative of American business in general. But all those millionaires and billionaires making contributions to Karl Rove and his super PACs to get Mitt Romney elected are not cutting their checks because they're keen on taking their chances in the competitive free market along with everyone else. No, they are bankrolling Romney because they expect him to give them an edge.

Nobel Prize-winning economist Joseph Stiglitz is among a growing number of academics who are breathing new life into the once moribund field of "political economy" that emphasizes today's corporations and financial giants make the lion's share of their profits not despite government's interference but because of it.

Summarizing the work of Stiglitz and his allies, Thomas Edsall of the New York Times says a free and competitive market is highly beneficial to society at large, but needs government regulation and oversight to remain functional. And ours is broken.

Conservative advocates of pure free markets fail to acknowledge how easily concentrated economic power can be converted into political power so that "wealth creation" becomes a form of "rent seeking" in which government resources are used to transfer wealth from the bottom to the top, says Edsall.

Rents take many forms: Tax and spending giveaways, subsidies to big agriculture and big energy, grants of monopolies of one kind or another, and "negative externalities" that let

producers earn profits without paying for important costs of doing business -- such as the degradation to our planet that their operations cause.

Bailouts of financial institutions are also a huge source of rents since they allow private profits to be earned while passing off the true cost of risk onto the public.

"The magnitude of 'rent seeking' in our economy, while hard to quantify, is clearly enormous," writes Stiglitz. "Individuals and corporations that excel at rent seeking are handsomely rewarded. The financial industry, which now largely functions as a market in speculation rather than a tool for promoting true economic productivity, is the rent-seeking sector par excellence."

Stiglitz shows how big banks are often able to collect "rents" from those fabled mom and pop small businesses so celebrated in Republican rhetoric.

The financial industry is supposed to serve the real economy not the other way around, he says. Yet, finance now accounts for more than 40% of all corporate profits. And one reason why are practices that allow credit card companies to extract more money from an individual transaction than the mom and pop store profits from the sale itself.

"For the movement of a few electrons upon the swipe of a card -- something that costs at most a few pennies -- the finance company receives as much money as the store does for managing a complex operation that made a wide variety of goods available at a low price," says Stiglitz.

The free market with its price mechanism only works if individuals know the true costs associated with the choices they make. And yet, Stiglitz says, credit card companies do their best to keep customers in the dark, as when they impose "no surcharge rules" on stores that forbid retailers from passing on the cost of credit card transactions on their customers -- a "rent" the banks extract from retailers without the bank's customers being the wiser.

"The absence of an explicit surcharge means that the credit card companies can raise the fees they charge merchants to high levels - near the breaking point, where the merchant would rather lose the customer than pay the fee."

US Marines once landed on the Shores of Tripoli to put down pirates no less predatory than these. No wonder Ayn Rand is enjoying such a comeback in plutocratic circles. The less apologists for American capitalism are able to justify what passes for the free market today the more attractive someone like Ayn Rand becomes who can flatter the rich into believing in what Jonathan Chait calls her "inverted Marxism," whereupon the capitalists are praised for producing all the wealth while the "ungrateful masses" are condemned for leeching off them.

"The man at the top of the intellectual pyramid contributes the most to all those below him, but gets nothing except his material payment, receiving no intellectual bonus from others to add to the value of his time," says Rand's protagonist hero from Atlas Shrugged, John Galt. "The man at the bottom who, left to himself, would starve in his hopeless ineptitude, contributes nothing to those above him, but receives the bonus of all of their brains. Such is the nature of the 'competition' between the strong and the weak of the intellect. Such is the pattern of 'exploitation' for which you have damned the strong."

Rand's most enduring accomplishment, says Chait, "was to infuse laissez-faire economics with the sort of moralistic passion that had once been found only on the left." And what she offered was a coherent view of society that expressed opposition to redistribution "not in practical terms -- that taking from the rich harms the economy -- but in moral absolutes, that taking from the rich is wrong."

Likewise, says Chait, Rand glorifies selfishness as a virtue, denying any basis, other than raw force, for using government to reduce economic inequality. Hers is an ideology that holds people completely responsible for their own success or failure, "and thus concludes that when government helps the disadvantaged, it consequently punishes virtue and rewards sloth."

These are ideas that resonate strongly with those "at the top" of the American pyramid, manifestations of which reverberate all throughout the Romney video.

Given Mitt Romney's epic fakery, it was just a matter of time before an incriminating video just like this surfaced that gave us a chance to finally peek under the hood and see what Romney has been hiding from us all this time.

And the truth thus revealed is the one we've suspected all along, that Mitt Romney is an economic predator - just as Newt Gingrich and Rick Perry said he was - one whose own sense of entitlement to life's success at other people's expense is one he shares with others of his rank and class. It is a sense of entitlement which far exceeds the modest benefits his own disadvantaged supporters enjoy from their "entitlements," ones Romney would take from them should they succeed in electing him their president.

There is a reason Romney looks so awkward and uncomfortable in his skin. He's got a lot to hide and not much he can say openly. So he must backtrack, shuffle and lie -- just like his campaign, just like the party he hopes to lead, as it does when it tries to convince us that President Obama is waging a desperate and mean-spirited campaign of distraction and "division" because the President refuses to buy into Mitt Romney's belief that we are a nation divided rich against poor, makers against takers, producers against parasites, the 47% against people just like him.