MarketWatch

The 21st Century has not been the American Century

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The 21st century has not been kind to America.

It began with our country being the world's unquestioned economic, military and cultural power. We were sure of ourselves, confident, and feared nothing or no one.

The economy was roaring along, fueled by an explosive new industry that unleashed an era of unprecedented innovation and wealth creation. It was called the Internet. The Cold War was over. Our main geopolitical rival—the Soviet Union—had collapsed peacefully. Terrorism was something that happened elsewhere.

Politically, did Democrats and Republicans, liberals and conservatives, have disagreements? Of course. But they didn't automatically vilify the other side, or consider them a mortal enemy to be destroyed at all costs. Politics wasn't a zero-sum death match in which only one side could win. There was an understanding that the country could move ahead if, and only if, each side gave something up to get something in return. It was called compromise. And it worked. There was a balanced budget, welfare reform, more cops on the street, to name just a few achievements that resulted from political rivals meeting each other halfway.

How times have changed. Since the dawn of the millennium, we have suffered two devastating stock market collapses: the S&P 500's <u>SPX</u>, +0.32% 49% wipeout between 2000 and 2002, and an even bigger crash—56%—just five years later. In addition to these epic market disasters—which wiped out an estimated \$20 trillion in wealth—there was a massive housing bust that cost Americans an additional \$7 trillion. <u>Taxpayers were forced to bail out automakers</u>, <u>banks and mortgage companies</u> to keep the entire U.S. economy from collapsing. The nation's economic faith and confidence was shaken to the core, and we've never really gotten it back.

Supreme Court Pick Puts Pressure on Democrats

And then there was the one event that transpired over the course of just two hours, but has driven huge changes in our lives ever since: the Sept. 11, 2001 terror attacks on New York and Washington. More people died that morning than died at Pearl Harbor or on D-Day; in fact, only the Civil War battle of Antietam took more lives in one day than 9/11. That's how bad it was.

It taught Americans that the buffer of two vast oceans was no longer enough to see us safe. We began to look at people who didn't "look like us" differently.

It also led to the two longest wars in American history, fought simultaneously. One— Afghanistan—was a war of necessity that is about to enter its 18th year. The other—Iraq—was a war of choice that cost us dearly in blood, treasure and reputation. There's a general consensus today that it was a colossal error.

But 9/11 also led to something else: the gradual relinquishing of freedom in the name of security. Politicians who were always opposed to big government suddenly made it a lot bigger, with massive, highly expensive new federal agencies that to this day have greater power to pry deep into our personal lives. We surrendered this precious privacy with barely a squawk.

Today, America is not as free as it used to be. As the century began, Freedom House ranked us (with 1 being the best), a 1 for civil liberties and a 1 for political rights. Today, we're still a 1 when it comes to civil liberties, but our political rights have been downgraded to a 2. <u>Behind the lower grade</u>: "growing evidence of Russian interference in the 2016 elections, violations of basic ethical standards by the new administration, and a reduction in government transparency."

In terms of economic freedom, the Cato Institute says that in the 1999, <u>we were the fifth-freest</u> <u>country in the world</u>, with a ranking of 8.7 out of 10 for a variety of categories. We are now 11th. In terms of personal freedom, we're only 24th.

The Heritage Foundation, a conservative think tank, <u>doesn't even consider the U.S. to be</u> <u>"free"</u> anymore, but "mostly free." It also cites a growing lack of government integrity, due to the "perception of cronyism, elite privilege, and corruption."

And the press—it's not called the watchdog of democracy for nothing you know—is only the 45th freest in the world. 45th. Notes <u>Reporters Without Borders</u>: "The violent anti-press rhetoric from the highest level of the U.S. government has been coupled with an increase in the number of press freedom violations at the local level as journalists run the risk of arrest for covering protests or simply attempting to ask public officials questions. Reporters have even been subject to physical assault while on the job." The report was written before last week's murder of five people at a Maryland newspaper.

And even as individuals, Americans seem to have changed as well since the dawn of the millennium—and not for the better. People seem scared, distrustful and paranoid today, not just of the outside world, but of each other. Crime is way down since the 1990s, but people think it's way up. Trust in institutions—the government, big business, the clergy, the media, on and on—is down.

We like to complain about things, but only 56% of us bothered to vote in the 2016 election.

We demand good roads and schools, clean water, Medicare and all the rest, but bitch about paying taxes.

We call ourselves patriots and we love the Constitution—though most of us can only name the first or second amendments to it.

We call ourselves civic minded—but can't name our own member of Congress; only a quarter can name the three branches of government.

We identify ourselves by political affiliation, associate only with our own kind, and shun the rest. Anyone who does this is therefore contributing to the ripping of our national fabric. School shootings, road rage, cyberbullying. Tribalism, nativism, isolationism. How did we become so angry, selfish and self-absorbed?

Kids don't play outside much anymore, and when they do, parents are afraid to let them out of their sight. When did we become so afraid and insecure?

We seem to have been overcome by pettiness and cynicism, incapable of doing anything big anymore. How did we descend from the country that cured polio, built the interstate highway system and put a man on the moon—to one in which millions see nothing wrong with the government ripping babies from their mother's bosom? And we're so intolerant that we can't sit next to someone we disagree with in a restaurant—because they're the intolerant ones? Gotcha.

The greatest danger to America, Abraham Lincoln said in 1838—in the first major speech he ever gave, <u>his famous Lyceum Address</u>—isn't some foreign power crossing the ocean to crush us. "Never!" he said defiantly.

No, he said, the greatest danger "must spring up amongst us. It cannot come from abroad. If destruction be our lot, we must ourselves be its author and finisher. As a nation of freemen, we must live through all time, or die by suicide."