

Warm Earth Fanaticism and Economic Theory, Clark R Mankin, Ph.D.

Joseph Alois Schumpeter (1883-1950)

"Can capitalism survive? No. I do not think it can." Thus opens Schumpeter's prologue to a section of his 1942 book, *Capitalism, Socialism and Democracy*, but whereas Karl Marx had predicted that Capitalism would be destroyed by its natural enemy, the exploited *proletariat*, Dr. Schumpeter was of the opinion that capitalism would be destroyed by its successes. Capitalism would spawn, he believed, a large intellectual class that made its living by attacking the very bourgeois system of private property and freedom so necessary for the intellectual class's existence.

The formal theory proposed by Schumpeter is known by the name "creative destruction" and during the "dotcom" frenzy this theory, first proposed in his book of 1942, became a buzzword among both the socialist elite and the populist neoconservative movements typified by adherents such as former Vice President Al Gore, and the Ivy League establishment of the post industrial Northeast.

The original concept Dr. Schumpeter discusses in his *Capitalism, Socialism and Democracy*, of 1942, has been radicalized by modern adherents and is now understood to mean: **"By destroying an economic system we release pent up creativity, with the end result that the emerging new paradigm creates an entirely new and unique platform upon which wealth is based,"** and this has come to be the unspoken rallying cry of "Global Warming" fanatics.

Those who espouse the wholly unscientific and unproven notion that despite all the classical signs and symptoms of an impending Ice Age, the earth supposedly is "warming" have one thing in common and it is that they all look to the emergence of a new economic structure that must, at least in their minds, spontaneously spring forth as the hydrocarbon based economy falls victim to "creative destruction" and is replaced by a hydrogen based economy that is as hypothetical and unproven as the silly ranting about "global warming" in the face of hard data that show the planet is instead moving into another Ice Age.

I can hear objections forming to my use of the term "hydrocarbon based economy," and so I will briefly discuss why it is that I have chosen to use the term. We live in the midst of a transportation based economy, which is to say that of all the so-called "basic industries," transportation is chief among them. Transportation, or more precisely, the lack of readily available personal transportation, to a very large degree explains why European industrial output cannot match that of the United States. The Europeans depend very heavily on mass transit in one form or another that limits their ability to range far and wide in search of suitable employment and limits their shopping possibilities with the predictable end result of reduced consumption per capita compared with a similar population in the United States. The ability to move around freely, selecting routes, changing one's mind and using alternate routes, and doing the sort of thing that mass transit companies can never afford to do is the defining difference between the Eurozone economies and the United States economy.

Those who espouse an irrational belief in the unsubstantiated concept of "global warming" would force Americans to ride the bus or depend on railways if the fuel cell turns out to be either a false hope or too costly for mass production. Our economic largesse is based upon the ability of Americans to move freely on their own schedule and often to destinations that are not served by mass transit providers. If the family automobile is driven to the garage and parked, our economic output will decline almost instantly by as much as 35% or more simply due to the fact that shoppers are no longer free to make that sudden and unplanned trip to a Wal-Mart 25 miles away, or job seekers are no longer able to conveniently broaden their search for employment beyond the limits provided by mass transit systems.

If the "Warm Earth" fanatics have their way and force the family car off the road, they will do so in the hope and expectation that a hydrogen based transportation system is available at prices affordable to the masses; something that has yet to be demonstrated despite ongoing research now being carried out by all the major auto makers.

The bottom line for each of us is that if the "Warm Earth" fanatics prove to be wrong in their assumption that a hydrogen based alternative to our free and widely available hydrocarbon based transportation system will suddenly spring up and be available at prices working class families can afford to pay, we are doomed to the very same sort of economic malaise that now smothers aspirations and lowers living standards in every Eurozone nation.

We cannot have our cake and eat it too. Clean energy is a wonderful goal and one that I personally hope will be available at affordable prices during my lifetime. "Warm Earth" fanatics today are as rational minded as the "Flat Earth" fanatics of Galileo's time, but their propaganda is crudely disguised Marxism. The Berlin Wall fell because someone realized that more money could be made without it than could be made by leaving it in place. How that money is distributed and whether the average German benefits are questions yet to be answered, but the fall of the wall should never be interpreted to mean that the Marxian economists have simply packed their bags and hopped an intergalactic flight to another planet more friendly to the concepts of Communism. The "Warm Earth" fanatic of today is a poorly disguised Marxist whose potential to do great harm to our society is very great whereas in Galileo's time the "Flat Earth" fanatics were basically harmless with the exception of a few heretics burned here and there.

Will the "creative destruction" of our hydrocarbon based economy bring forth the new economic paradigm, or will it instead bring about another Great Depression? These are questions not ordinarily addressed within the context of a debate about whether we are headed into another Ice Age or bound toward a world with palm trees at 47 degrees of latitude, but those who read these words should mark them well. There is more to the debate than dire warnings about coastal flooding and climate changes. At the very core of these arguments lies a dirty little secret; namely, that the chief proponents of "Warm Earth" fanaticism are all men and women of a Marxist persuasion. Their views should be regarded as dangerous to the health and welfare of Americans and indeed the whole earth. Karl Marx died over 100 years ago, but the curse of his labor valued economic theories continues and still retains the ability to pull us all down. In the final analysis, socialism never raised the level of anyone. What socialism does is lower everyone to the same low level.

Never forget that the "Warm Earth" fanatics have a hidden agenda we should guard against diligently lest we fall victim to the same fate that befell Soviet Russia early in the last century.