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Give Me Enterprise or

Give Me Debt

Refinancing America, the Great Enterprise

PART II

Restore the American Work Ethic

Where Oh Where Has It Gone

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**Preface**

In Part I I write about “Give me Enterprise or Give me Debt” a takeoff of Patrick Henry’s famous statement “Give me liberty or give me death”. And a working sub title of “Give me Liquidity or Give me Debt” proposes in Chapter 11 a take back of the value of the dollar by refinancing America into an equity driven economy to save the American Enterprise from bankruptcy. By reorganizing our debt-based economy into an equity driven Enterprise, as it was in the beginning, we emerge debt free. For now, as money is the focus in our regulatory nightmare with more and more infringement and new entitlements taking over the work ethic, we no longer work for ourselves; we work for the Animal Farm run by 545 politicians with the Red and the Blue parties fighting over power not solving budget deficits nor leading us to protect our honor in the world . . . therefore, in 1991 I began thinking about and writing about a viable third party alternative based on the principles of Enterprise representing the freedom of peaceful coexistence, with life, liberty and the pursuit of happiness for all Americans. Thereby publishing the American Enterprise Manifesto to propose solutions not debate issues between the oxymoron two party system we have evolved into. Not only is this an anomaly it is an intentional distraction used by the gang of 545 as a control device to avoid true debate and deprive us of effective leadership.

In Part II I write about worker apathy and how to . . . “Restore the American Work Ethic” . . . “Where oh Where has it Gone” it is focused on improving our output by revamping our input of human capital values. Work for the sake of pride and the quality of life not for the sake of money and job security. As for my work ethic I have owned small businesses for 36 years, that I have started from scratch, creating jobs, and envisioning better management systems and methods for principally health care facilities. I have never been unemployed, never drew unemployment or worker’s comp and have missed no time from my small business in 36 years. I have either been extremely lucky or an image of my father a Great common, every day, blue collar, enterprising American who worked in the Firestone Factory in Des Moines, Iowa for 32 years. And even today I remember accompanying my father to union meetings and being influenced by being a factory worker myself when I was employed by Firestone one summer. Those images were and are the foundation of the work ethic we seem to have lost and the scenario I propose as the solution to the demise of the American work ethic victim of the new entitlements.

As the author of the American Enterprise Manifesto, I am a product of a small farm community in Iowa that was called God’s Little Acre in the 1940’s as a totally dry town that even frowned on smoking and most certainly did not condone teen pregnancy or divorces. We had no minorities of color or religion . . . we were all poor to almost poor red neck white trash by today’s standards. But out of that culture grew common sense and hard work. My dad for example was never unemployed never drew unemployment, never missed work but went on strike every union contract year, for months on end, to make sure they protected their promised benefits that they never got. He, at the age of eighteen, and his two brothers had to leave the farm in 1929 during the Great depression when there were no grain for crops and no food for the 8 children to ride the rails across America . . . his stories about working for a $1 per day with a noon meal, sleeping in hobo camps along the way, drinking moonshine for survival, riding the rails across America, then returning to the farm when they heard that the depression was over . . . all of these adventures were featured in an recent HBO documentary about the Great Depression of 1929. Making him the man he was . . . a man of work that never swore in his family’s presence, never drank in his family’s presence, never wanted any responsibility and never missed work . . . the Iowa work ethic of old. I learned much from him that makes me What and Who I am today and much that I reject as well, including pure socialist, liberal, or Libertarian principles. Is this just conservatism with a different twist . . . no that is not my intent . . . I want more freedom to choose yes but within the structure of Government of the people, for the people, by the people, not just by me or for me but because of me.

My father once said Firestone was stupid because they paid union wages for piece work then had their ignorant management retime the jobs so we made half as much as we used to . . . then we only worked half a day and still made our quotas. He also was at the end of the quality control line checking steel belted tires for defects, when production managers decided to lower the quality standards to reduce the waste and defective tires were pushed through until Firestone was destroyed by lawsuits when the defective tires blew out and Bridgestone a Japanese company acquired them. After thirty-two years Dad retired at the age of 64 and sat in his chair for the final 18 years drawing social security and no pension, finally dying in a nursing home at the age of 82.

So, being an entrepreneur in America and a small business owner myself why would I venture into the buzz saw of conventional wisdom dominated by political pundits who intellectually spout theory as facts and facts as the domain of the Congress, the Elite, the Media and never putting forth the voice of the silent majority? CNN, Fox News, MSNBC, conservative radio, liberal leanings of the celebrities are not reporting the depth or breadth of America’s decline. They are in fact the beneficiary of the hard-working enterprising majority who do not have a voice. I, as an unknown, nonintellectual, I will be accused of being unqualified politically, negative on America and idealistic on foreign affairs. Right up front I want to state that America, in my view, is the greatest example of Capital driven Enterprise ever known to man and woman . . . including the British Empire, the past German and current Chinese versions. However, all good things come to an end unless there is revitalization of the principles that got us here. So, much of this book is based on factual data and statistics gleaned over a number of years as I wrote manuscripts regarding the need for political and Government reform to insure we worship Enterprise rather than institutionalized money. In my research I found that certain individuals have contributed to contrasting opinions that became movements and did solve social and economic problems. Why because they were first of all superior leaders and second dedicated to preserving the past and conserving the future.

Margaret Thatcher and Ronald Reagan were two such leaders of conservatism that inspired me to write this book proposing that we restore old American style Enterprise that evolved out of the slave supported plantations and Aquarian farm communities into the cities of industrial blue collar workers and profit seeking white collar business owners serving our academic universities and institutions. But now such academic laws and Ph.D. regulators are stifling our effectiveness to utilize what we learn from the Universities and Colleges without allowing the private sector to manage the implementation. Because of this infringement of Big Institutional Government on individual creativity and freedom, for the sake of control by the Bigger and Bigger Universities and Institutions, we are hampered by our own incompetence. To alter this “Rome is Burning” mentality we have to have a balance of the Private Sector and Public Institutions or we will evolve into a world of continued declining initiative and more divorces of thought and families. We need to realize that reality does not create us we create reality with common sense solutions to problems not just debating political issues. We can learn much from Margaret Thatcher and Ronald Reagan in their campaign to have “Government protect us not run our lives” as opposed to what Karl Marx stood for in his Communist Manifesto.

Margaret Thatcher (1925-2013) (Prime Minister of England 1979-1990)

• “There is no such thing as society: there are individual men and women, and there are families”.

• “If you just set out to be liked, you would be prepared to compromise on anything at any time, and you would achieve nothing”.

• “It is not the creation of wealth that is wrong, but the love of money for its own sake”.

Margaret Thatcher dealt with similar economic problems in England, that America now has, as leader of the Conservative Party from 1975 to 1990 and Prime Minister from 1979 to 1990. She was an advocate of privatising state-owned industries and utilities, reforming trade unions, lowering taxes and reducing social expenditure across the board. Thatcher’s policies succeeded in reducing inflation, but unemployment dramatically increased during her years in power. However, it was her leadership that directed the British away from socialism back to capitalizing on enterprising workers for the sake of the country’s future.

The movie about the Iron Lady did not give justice to Margaret’s influence in making one of the most significant socioeconomic changes of all time. Since she died in April of this year we are not going to have her council or involvement in world economics or enterprise so in America, in her memory, we must challenge Big Government and the Socialist form of Democracy at all times. She and Ronald Reagan had a bond based on America’s philosophy that the individual makes the country the country does not make the individual. It is such leaders we have to revere and not be deterred by spin doctors and lobbyists.

[Ronald Reagan](http://www.brainyquote.com/quotes/authors/r/ronald_reagan.html) (1911-2004) (President of the United States 1981-1989)

• “Entrepreneurs and their small enterprises are responsible for almost all the economic growth in the United States”.

• “Government exists to protect us from each other. Where government has gone beyond its limits is in deciding to protect us from ourselves”.

• “Government does not solve problems; it subsidizes them”.

• “Government’s first duty is to protect the people, not run their lives”.

Ronald Reagan on his eight-year watch was following a one term Democratic President in Jimmie Carter who pushed American businesses to the brink with his 23% Keynesian prime rate of interest to quell record inflation and destroyed the Savings and Loan business forever. President Reagan was lucky to inherit Alan Greenspan as the Chairman of the Federal Reserve Bank . . . who by chance had ultra conservative Libertarian leanings. President Reagan also engaged Mr. Arthur Laffer, who became the father of supply side economics, as his chief advisor on Taxation, who then, with a Republican House put trickledown economics into action. With the interest rates and monetary system in check and taxes being cut, small businesses were relieved of debt and created products and profits at a record pace. Unemployment declined, but still the deficits rose. Unfortunately, Bush senior following Reagan, who was a civil servant not Entrepreneurial who famously said “read my lips, no tax increases” then proceeded to increase taxes to his demise. Then Bill Clinton the smooth-talking salesman had the country in a developmental mode until the high tech bubble burst. All the while conservatives on the Republican side acquiesced to a staggering war budget and a fiscal depression under Bush, jr., selling out to a protectionist Government pursuing a One World version of Liberty. Then Obama, a liberal constitutional professor and street attorney, rides in on his oratory ability, right in the middle of a depression and worsens it with a misguided $700 billion stimulus package for the bailout of large banks and big business, financed by China and imposes the Biggest Entitlement of all time . . . Obama Care that may well be the demise of the Great American Enterprise and its 77 million retiring, unhealthy baby boomers.

Ronald Reagan again: “Above all, we must realize that no arsenal, or arsenals of the world, is so formidable as the will and moral courage of free men and women. It is a weapon our adversaries in today’s world do not have”

**Karl Marx (1818 to 1883) author who wrote the Communist Manifesto in 1848** put forth his ten steps necessary to destroy Capitalism in a Free Enterprise system and replace it with a system of omnipotent government power, so as to affect a communist socialist state. Unfortunately, many Americans are being transformed into a Communist State of mind, by myths, fraud and deception under the color of law by their own politicians; Republican and Democratic parties alike.

**Karl Marx,** in creating the Communist Manifesto, designed the 10 planks **AS A TEST** to determine whether a society is becoming communist or not. The 10 PLANKS stated in the Communist Manifesto and some of their American counterparts (in parentheses) are . . .

1. Abolition of private property and the application of all rents of land to public purposes. (Imminent domain lost to Federalism of property).

2. A heavy progressive or graduated income tax. (Graduated taxation on adjusted gross income)

3. Abolition of all rights of inheritance. (Inheritance or death tax).

4. Confiscation of the property of all emigrants and rebels. (Laws preventing aliens from owning property).

5. Centralization of credit in the hands of the state, by means of a national bank with State capital and an exclusive monopoly. (The Federal Reserve Bank).

6. Centralization of the means of communications and transportation in the hands of the State. (FCC).

7. Extension of factories and instruments of production owned by the state, the bringing into cultivation of waste lands, and the improvement of the soil generally in accordance with a common plan. (EEOC).

8. Equal liability of all to labor. Establishment of industrial armies, especially for agriculture. (NLRB and Unionization of labor).

9. Combination of agriculture with manufacturing industries, gradual abolition of the distinction between town and country, by a more equitable distribution of population over the country. (Corporate conglomerates with farm quotas and subsidies).

10. Free education for all children in public schools. Abolition of children’s factory labor in its present form. Combination of education with industrial production. (Public education funded by property taxes, gambling taxes, Power Ball and Lotto).

The **progressives** **(politicians)** of the twenty-first century who seem to believe in the SOCIALISTIC and NEO-COMMUNIST concepts, especially those who pass more and more laws implementing those ideas, are contradicting their oath of office and to the Constitution of the United States of America. None are more hopelessly enslaved, as those who falsely believe they are free . . . .

Maybe, as **John Lennon (1940 to 1980) songwriter and singer**, advises us in his song “Give peace a chance”, that we can lead the world away from the ism’s to Peaceful coexistence . . . which is a quantum paradigm leap away from totalitarianism to self-determination with freedom to create a peaceful world.

“Give Peace A Chance”

Ev’rybody’s talking about
Bagism, Shagism, Dragism, Madism, Ragism, Tagism
This-ism, that-ism, is-m, is-m, is-m.

All we are saying is give peace a chance
All we are saying is give peace a chance

C’mon
Ev’rybody’s talking about Ministers,
Sinisters, Banisters and canisters
Bishops and Fishops and Rabbis and Pop eyes,
And bye bye, bye byes.

All we are saying is give peace a chance.

**The American Enterprise Manifesto** is dedicated to the American
people who feel unrepresented and unappreciated by the Gang of 545 (Senate, House, Supreme Court and the President) who now control our lives . . . it is not a wish, or a dream or a whim it is a culmination of experience and ideas that will stimulate discussions and change.

In reading the American Enterprise party line please forgive me for repeating certain statistics, strategies and tactics. The context of the information is different but the repetitive relevant data, positive solutions and creative ideas are needed to make my case for shifting the paradigm from an oppressive two party system to a third party alternative that represents enterprising Americans by reforming policies affecting governance of business, social, legal and world affairs. Otherwise the $123 trillion accrued debt will have to be dissolved through a Chapter 11 bankruptcy process.

Thanks. Jerry Rhoads, author

The American Dream: ideals of freedom, equality, and opportunity traditionally held to be available to every American with a life of personal happiness and material comfort traditionally sought by individuals in the U.S.

The American Nightmare: loss of freedom to oppressive Government regulations, debt and high taxes

The following is quoted from a newspaper article published in the
Orlando Sentinel, “545 vs. 300,000,000 People”
by Charley Reese.

• Politicians are the only people in the world who create problems and then campaign against them.

• Have you ever wondered, if both the Democrats and the Republicans are against deficits, WHY do we have deficits?

• Have you ever wondered, if all the politicians are against inflation and high taxes, WHY do we have inflation and high taxes?

• You and I don’t propose a federal budget. The President does.

• You and I don’t have the Constitutional authority to vote on appropriations.  The House of Representatives does.

• You and I don’t write the tax code, Congress does.

• You and I don’t set fiscal policy, Congress does.

• You and I don’t control monetary policy, the Federal Reserve Bank does.

• Gang of 545 = 100 senators, 435 congressmen, one President, and 9 Supreme Court justices . . . equates to 545 human beings out of 300 million who are directly, legally, morally, and individually responsible for the domestic problems that plague this country.” Why then would we believe that they can solve them? See complete article by journalist Charley Reese in chapter 10.

Think about it . . . our college debt is more than our credit card debt . . . since education is the route out of debt, catch 22 has just caught up with the graduates who cannot find a job or make their payments (2011 unemployment rate for ages 25 to 34 26.2%) . . . the future is now or else for Enterprising Americans to stand up for equality or we will fall for anything. Together we can prevail, divided we have fallen prey to the two-party system of huge government control.

Foreword

Money is the fuel that drives the great American Enterprise system . . . it is also the pendant of power that is the celebration of success or the crucifixion of our society’s values as our mores and ethics become secondary to its use. What is our national self-worth, self-health, self-image, net-worth? Is it being misspent on power and control by a few? Can we sustain our national success when the few make promises they don’t keep? Net worth or GNP or GDP are measures of our country’s successes and failures when we evaluate our leaders. How do you rate them? Are you happy and confident that American Enterprise is in good hands . . . let’s spend the next few hundred pages measuring our leaders performance for a change.

Net worth, being a measure of performance, is defined as assets valued at the lower of cost or market value minus liabilities valued at the higher of cost or contingency. This formula is based on GAAP (generally accepted accounting principles) using the accrual basis of accounting. While taxes for individuals are generally paid on the cash basis which is collected income minus paid out allowable expenses (adjusted gross income) which is far different than net worth. Corporations, on the other hand, generally report taxable income using GAAP minus tax credits and accelerated depreciation methods. The United Nations estimates that America’s net worth including its human capital was $118 trillion in 2008 (which is 25.4% of worldwide net worth, 21.9% of worldwide GDP). Household net worth was estimated to be $54.2 trillion in 2009. 84% of that is controlled by 24% of the wealthiest Americans with Bill Gates ($66 billion down from $89 billion) and Warren Buffet ($50 billion down from $65 billion) the wealthiest individuals. The wealthiest corporations are Exxon at $500 billion and Walmart at $600 billion with the Walton family heirs worth as much as the bottom 41.5 percent of Americans.

In the book that follows it is proposed that any level of taxation based on adjusted gross income for individuals and net taxable income for corporations cannot and does not generate enough revenues to support government half its current size. This is because Governmental accounting is not based on GAAP but on the cash basis. What this does is allows government to understate its deficits and overstate its surpluses. This illusionary method records the revenues that are accelerated using estimated taxes for the next year as current revenue and defers the recording of the cost of budgeted expenses until they are paid . . . in other words it overstates revenue that has yet to be earned and understates expenses by only recording them when paid not when they’re owed . . . for example unfunded pension costs that have been earned by government employees are not recorded until paid . . . as is the case for entitlements. Therefore, the current Federal deficit, as is the cooking of the books for every governmental unit, is far short of the real deficit . . . $123 trillion actual versus $17 trillion that is reported. While the annual excess of accrued expenses over earned revenues is a minus $25 trillion per year though reported as $1.3 trillion.

This being the true situation demands what is called a quasi- reorganization to avoid bankruptcy. Under Chapter 11 of the bankruptcy law individuals, corporations and other entities are allowed to reorganize their finances so they can avoid dissolution. The court appoints a trustee who directs the entity to propose a plan that will pay down its secured debt first then use whatever is left to pay off the unsecured creditors and investors. It also requires in the plan an infusion of new capital for allowing the entity the resources and time to go forward with its business in a responsible manner. This perpetuates the entity for producing future profits and putting it on a sound financial footing.

In the book it is proposed that Government at all levels is insolvent due to their using cash basis accounting methods and accumulating deficits they can never liquidate, even with tax increases, without quasi-reorganization . . . meaning more capital and less debt. (To prove my point, take a look at San Bernardino and Detroit). This capital can be generated by increasing taxes, cutting the size of its payroll and overhead down to the breakeven point and finding investors that will put capital into the entity to allow it time to reduce its costs and generate a true surplus. Increasing taxes is perpetuating the problem since it takes capital out of the American Enterprise for nonrevenue producing overhead costs.

Therefore, the only viable and accelerated method to put the Enterprise (government at all levels) back on it’s feet is to generate more capital to give us time to downsize government and upsize business so the jobs are truly created and the profits and tax payers can increase earned revenues to pay accrued costs. Then the current net worth of the Enterprise (individuals and corporations, including not for profits) must be utilized in the reorganization. Using a 5% flat assessment on current net worth of individuals and corporations to generate the capital while eliminating taxes on adjusted gross income altogether for five years will put $25 trillion in the coffers. This can be used for paying down governmental debt while we privatize half of the Federal agencies that will become tax paying entities staffed by the private sector unemployed and the public sector employees as accountable businesses run by the shareholders. This puts taxable income for the future into the hands of the producers not the regulators.

Who are the targets for major infusion of capital . . . the wealthy individuals and corporations that have generated their wealth from the work of enterprising Americans who now pay 46 different taxes. Following are examples of the public sector servants and corporations who have accumulated wealth at the cost of the Enterprise:

* Barak Obama net worth of $12.2 million, Michelle Obama $11.8 million
* Bill Clinton net worth of $60 million, Hillary Clinton $21.5, Chelsea Clinton net worth of $15 million
* Bill Gates net worth of $66 billion, Warren Buffet $50 billion
* Exxon Oil net worth of $486 billion, Walmart $447 billion, Walton family $86 billion
* Apple Technology net worth of $500 billion, Steve Jobs estate $10.6 billion
* Georg Bush, jr. net worth of $35 million, George Bush, sr. $80 million
* Ross Perot net worth $3.5 billion, John Kerry $194 million
* Mitt Romney net worth $250 million, Dianne Feinstein $70 million
* Nancy Pelosi net worth $35.5 million, John Edwards $55 million
* Herb Kohl net worth $215 million, Jay Rockefeller $86 million
* Newt Gingerich net worth $7 million, John and Cindy McCain $110.5 million
* Chris Christie net worth $4 million, Paul Ryan $3 million
* Sara Palin net worth $12 million, Al Gore $300 million
* Harry Reid net worth $5 million, Jimmy Carter $5 million
* Rahm Emanuel net worth $14 million,
* Grassley, Boehner, Biden, Justice Roberts, Charles Rangel, Barnie Frank, Mitch McConnell all millionaires
* Currently, the gang of 545 control the entire $118 trillion net worth through lawmaking and political connections.

God Bless America the land of the free, the land of the lawmakers who are destroying this freedom with 40,467 laws passed in 2012 that encumber the American Enterprise to another $200 billion per year to implement and police the Enterprise thereby increasing the deficit at the rate of $25 trillion per year. It is time to turn the tables and let the private sector grow and the public sector shrink under this plan of reorganization. If this does not scare you then read the Hunger Games trilogy where the Capitol and its military rule the impoverished masses.

As in any Enterprise, an unmanageable deficit triggers a need for capital, be it debt or equity. In a world where we have the Golden Rule (those with the gold rule) redistribution of wealth is rejected by both the Red and the Blue but in effect taxes, as a percentage of income, is a redistribution. Re-distribution is not proposed in this book. However, when the Enterprise is under water and insolvent and cannot service its debt, equity capital is the only solution along with reduction of the reasons for the insolvency. So it is the author’s thinking, having been in his own business for 36 years, that those with the Gold have to step up and recapitalize the Enterprise as the quasi-reorganization takes place. Like it or not our current lack of liquidity will destine us to losing out on technology because the public sector pensions have to be funded and tax increases are the inevitable result of allowing a few with the gold to destroy, with the new entitlements, the American Work Ethic that creates the gold. So this is not a redistribution of wealth but an investment in downsizing Government to private companies that will be accountable to the American Enterprise and pay dividends to those investing their Gold. This is true Enterprise taking back America from destructive Institutional Keynesian theory propagated by and controlled by the Gang of 545.



Sign of the Times
Headlines

1. America’s Interest Checks Bounce

2. Social Security Checks Bounce

3. Medicare Checks Bounce

4. Medicaid Is Bankrupt

5. Obama Care is a Trillion-Dollar Bust

6. The White House is mortgaged to Israel

7. Congress Gives Itself a 20 Percent Raise

8. Nineteen Governors Commit Debt-a-cide

9. Regulators Use Tear Gas Against Private Sector Retiree Rioters

10. Foreign Accounts Refuse to Buy or Sell American Low-Quality Infrastructure Products

11. Technology is Now Insourced From the Asian Axis

12. Research and Development is Left to the “Bean Counters” to Fund through Mexico’s work force

13. Monetary Value of Dollar is No Longer a Factor in the World Banking Exchange

14. America is the First World Country to File for Chapter 11 Bankruptcy Protection

15. Chicago Sells and Leases back Lake Michigan from China

16. Americans Win the Biggest Gainer Contest

17. Work is Considered Old-Fashioned and Unemployment a Permanent Job

18. Everyone is Retiring to Walmart’s Job Corps

19. Bill Gates and Warren Buffet Become Beneficiaries of the Largest Tax Deductions in Foundation History after Liquidating their US Treasury Bills

20. The increase in the stock market is due to borrowed public pension monies being invested into the shadow economy not real economic growth and technology companies

21. Guns are more important than the pursuit of peace

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PART I - Summary

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Refinancing America, the Great Enterprise

Why Americans Need an Effective Third Party

The Quote of the Decade:

“The fact that we are here today to debate raising America’s debt limit is a sign of leadership failure. It is a sign that the US Government cannot pay its own bills. It is a sign that we now depend on ongoing financial assistance from foreign countries to finance our Government’s reckless fiscal policies. Increasing America’s debt weakens us domestically and internationally. Leadership means that, ‘the buck stops here.’ Instead, Washington is shifting the burden of bad choices today onto the backs of our children and grandchildren. America has a debt problem and a failure of leadership. Americans deserve better.”

~ Senator Barack H. Obama, March 2006

If this is not enough to get your vote for an Enterprise party, on top of all these alarming numbers is the fact that the US dollar is teetering on the brink of being replaced as the reserve currency worldwide. There are forces in Europe, China, Russia, India and Mexico whose currencies are gaining ground, due to the existing trade deficits and our Government’s borrowing to cover budget shortages. This may soon bring down the dollar as the worldwide currency standard. If this happens our whole economic condition will worsen and inflation will prevail. Receipt of new equity capital and profits are the only way to increase the value of the dollar and avoid the downfall of the dollar. That, and stop using the printing press at the Federal Reserve Bank to dilute the value of the dollar and increasing our national debt.

Deja Vu All Over Again

Government and Operational Reforms: In 1994 Newt Gingrich, Bob Dole and a Republican Controlled Congress passed the Contract with America that listed 8 commandments and 10 bills for reforming Government. On the first day of their majority in the House, the Republicans promised to bring up for vote, eight major reforms:

1. Require all laws that apply to the rest of the country also apply to Congress;

2. Select a [major, independent auditing firm](http://en.wikipedia.org/wiki/Big_Four_auditors) to conduct a comprehensive [audit](http://en.wikipedia.org/wiki/Audit) of Congress for waste, fraud or abuse;

3. Cut the number of House committees, and cut committee staff by one-third;

4. Limit the terms of all committee chairs;

5. Ban the casting of [proxy votes](http://en.wikipedia.org/wiki/Proxy_voting) in committee;

6. Require committee meetings to be open to the public;

7. Require a three-fifths majority vote to pass a tax increase;

8. Guarantee an honest accounting of the [Federal Budget](http://en.wikipedia.org/wiki/United_States_budget_process) by implementing zero base-line budgeting.

Major Policy Changes: During the first one hundred days of the 104th Congress, the Republicans pledged “to bring to the floor the following [ten] bills, each to be given a full and open debate, each to be given a clear and fair vote, and each to be immediately available for public inspection.” The text of the proposed bills was included in the Contract, which was released prior to the election. These bills were not governmental operational reforms, as the previous promises were; rather, they represented significant changes to policy. They mainly included a balanced budget requirement, tax cuts for small businesses, families and seniors, [term limits](http://en.wikipedia.org/wiki/Term_limits) for legislators, [social security](http://en.wikipedia.org/wiki/Social_Security_%28United_States%29) reform, tort reform, and welfare reform.

Points to be considered: Of course none of this happened. Therefore, do you feel lost to Giant Government and Big Business? If so you should be concerned that politicians, (as Charley Reese points out in his famous article) “. . . cause problems and will not nor can they solve them.” If you think about it, we have skated right by socialism (the great society programs) into the realm of regulatory-ism with punitive enforcement . . . sounds Marxist to me.

1. 40,467 laws were passed by the lawmakers across the US in 2012 requiring funding of approximately $5 million per law to implement and enforce. That equals $200 billion in additional overhead heaped on America’s small businesses each year.

2. Lawmakers make laws without compunction or fiscal accountability . . . we need job makers and peace keepers, not unfettered egos inhibiting business and economic growth.

3. Peace is not America’s foreign policy . . . it is do it our way, or else. So called human rights aren’t even practiced in this country.

4. Unionization purged our rights to collective bargaining when they organized Government Workers (Government by the public servants for the public servants and of the public servants) under the radar. This has cost us our fiscal future.

Preamble to the American Enterprise Party

We, the people of the United States of America, take back our sovereignty, and reclaim our right to have a say in the policies and conduct of our government. We are offering a third party alternative for those enterprising Americans who pay for the public sector and do not currently have fair representation or input to the system that has caused many fiscal, social, and foreign-relation problems that face this nation of 313 million citizens.

The following initiatives are what this third party will pursue and enact under a more responsive and representative government.

We do not need entitlement reform. We need government reform. We currently have 19.7 million government employees, a one-trillion-dollar annual payroll, a twenty-five-trillion-dollar annual pension debt, and a 123-trillion-dollar deficit using GAAP. We will reduce the cost of regulations, not eliminate human-service programs. We will eliminate unionized pension plans and replace them with IRAs, or another form of personal pension withholding savings accounts that are not funded by taxes.

Any tax reform will eliminate taxes on adjusted taxable income and replace it with a flat 5 percent annual, five year, assessment on individual and corporate net worth. The new entitlements, such as unemployment compensation, workers’ comp, welfare, Obama Care, food stamps, paid leave, etc. are eroding our American work ethic and need to be replaced with real, private-sector jobs that create a true return on our gross national product.

Job creation will be stimulated by downsizing government (fixed overhead) and upsizing the marketing of the private sector ingenuity. Ridding the economy of 50 percent of the regulators lowers overhead and relieves the stifling impact it has on the creativity, technology, and product development of small businesses. We will put the producers back to work and get the checkers out of the way.

We will recapitalize the American enterprise by assessing 5 percent of the net worth of the wealthiest companies and individuals (some economists call this the wealth tax) to pay down the national debt to a manageable level. This will allow investors to make their own decisions and strategies without the infringement of government enforcers, and replacing debt instruments with equity from foundations and tax shelters for those who have profited from the great American enterprise.

Healthcare needs to be based on an enterprise model where self-health funding shifts spending away from enforcement to pay for collaborative rules and regulations for self-health incentives. The unhealthy must be responsible for their own medical costs through a withholding program that is invested in mutual health insurance companies who will invest the reserves into small business that will share in the cost of health and fitness programs.

Alan Greenspan said that “Social Security is not our problem, it is healthcare. Let the market demand dictate the distribution of dollars, not the Congress or the Fed”. Of course his advice was ignored as Congress passed the biggest entitlement of them all . . .

Patient Protection and Affordable Care Act (i.e., Obama Care)

Affordable: Not

Protecting the elderly and disabled: Not

Projected cost: $465 billion for state exchanges

 $434 billion Medicaid increases

 $176 billion demonstration projects and enforcement

 $1.075 Trillion Cost for the period 2013 to 2022

Projected funding: $414 billion Medicare cuts

 $349 billion provider taxes

 $210 billion Medicare withholding taxes and surtaxes

 $107 billion pharmacy, hospital taxes

 $68 billion fines and penalties

 $150 billion Cadillac insurance taxes

 $13 billion downsizing medical savings accounts

 $20 billion taxes on devices

 $15 billion reductions in tax deduction for medical expenses

 $3 billion taxes on tanning salons

$1.218 trillion taxes and reductions in benefits for the period 2013 to 2022

Why Obama Care will fail: it kills creativity with regulations and enforcement that dictate and mandate compliance with averages and minimum standards of quality. The shift of the paradigm to health preservation and disease prevention will be funded through the withholding program of all employed Americans, so they can make their own decisions regarding their personal health plan.

Banking and currency exchange made through the Federal Reserve System must be held accountable to the benefit of the Enterprise or disbanded. The Fed’s mismanagement of the exchange rates in 2005-07, after the retirement of Chairman Greenspan caused the fall of the housing market in 2007 and burst of the mortgage bubble. Rather than gambling the taxpayers’ money, the Federal Reserve System must not be allowed free reign with monetary exchange rates. Twenty million jobs related to housing and mortgage financing have been lost, and now we need to regenerate them by getting rid of the Dodd/Frank imposition of inhibiting regulations trying to corral Wall Street’s ambitions and small businesses’ need for equity capital financing that furthered the impact of the housing depression and effectively depleted capital markets for small businesses.

The Bush administration (along with Paulson and Bernanke’s failed Fed policies) caused the TARP relief act and the debacle that was furthered by the Obama Stimulus and Healthcare bill.

For example: President Bush’s last budget, for FY 2009, started out with a $500 billion deficit. However, Treasury Secretary Hank Paulson’s TARP plan was added to it. After Obama was elected, he also added part of the Economic $720 billion Stimulus Plan. Although it was to be spent over ten years, the bulk was budgeted for the first three fiscal years: $185 billion in FY 2009, $400 billion in FY 2010, and $135 billion in FY 2011.

The Bush FY 2008 Budget was the last budget untouched by recession fighting. Even so, it ran a (then shockingly high) $500 billion deficit to fund the War on Terror. This was after borrowing $678 billion from the Social Security Trust Fund. That type of raiding is standard operating procedure, since the Federal government can borrow from itself at will using monies from trust funds that belong to the beneficiaries not government.

Remember the Savings & Loan crisis orchestrated by the Federal Reserve Banking system and President Carter’s mismanagement of the monetary and economic impact of the exchange rates and 23% prime interest rates using Treasury Secretary Volcker’s application of Keynesian theory . . . ironically it impaired housing, mortgages, jobs and the availability of debt capital for a decade . . . it also put the onus on the S&L’s to the extent they no longer exist . . . deja vu all over again. We are in the grasps of the interest manipulators not enterprise.

National Defense should focus on peaceful coexistence initiatives and reduce investments in weapons of mass destruction, and recycling the three trillion dollars’ worth of weapons yet to be used, to our allies for their protection and the collective pursuit of world peace. The fear of terrorists will be remedied by creating accurate, statistical analysis of perceived threats (profiling) as Israel has very effectively, for years, so we can prioritize threats rather than checking everyone’s shoes at the airport. Until we learn that our diplomacy must embrace peaceful coexistence and “reason minus religion = resolution” we will continue to support sectarianism. Religion is at the very root of most all of the conflicts in the world.

We will rethink the importance of the United Nations and support them in strategic and tactical handling of foreign aid and relations. We will communicate with the enemies regarding the problems of not having peace as the world’s focus, rather than having political platforms redefining opinions on the government’s role in people’s lives. Democracy American-style is not the solution for decentralized, unresolved civil wars run by war lords and terrorist groups.

Energy consumption must be coordinated with our purchasing partners to form a collective bargaining group called OPEC (Oil Purchasing Energy Consortium) that has authority for setting the supply, demand, and the price of oil.

We must promote the efficient and environmentally safe use of coal and natural gas. We must promote efficient use of energy for automobiles, homes, and we will make the environment more dependent on conservation, rather than deprivation. Assessing the net worth of wealthy oil and gas companies will allow us to research natural resources in North America, so we can break the dependence on the dominant third-world energy sources. Exploration should allow and use private sector’s profits for off shore and domestic drilling.

Immigration should be both encouraged and managed at the borders, with specific Ellis Island-type holding areas for signing up immigrants for citizenship, while committing them and their families to speaking English as the national language, setting up withholding for taxes and Social Security, and enforcing an agreed-upon timeframe for taking the citizenship exam. Those already in the country will receive amnesty so long as they are repatriated into the system in the same way as new immigrants. Resources should not be wasted on expensive deterrents that exacerbate the problems.

The “new electorate” (not served by either the red or blue parties) of Hispanics, Asians and African descents will be brought into the third party ranks for equal opportunity as American citizens and taxpayers with jobs.

Fiscal healing will be achieved by the 5 percent assessment on net worth. This will generate capital from individuals and corporations and not-for-profit organizations. Fifty percent of the annual five-trillion-dollar new equity capital assessment will be used to invest in small businesses, which can be used for new technology, infrastructure repair, and educational costs. The other 50 percent of the annual five trillion dollar equity capital assessment will be used for paying down the $16 trillion national debt, which at this new capitalization rate would be eliminated in three to five years.

The unionized pension plans will be replaced by personal withholding accounts for each individual. The current increases in the stock market are primarily due to the investment of pension funds from public service employees who do not increase the gross national product. Now, only 23% of private sector workers have pensions. Foreign countries who use the American consumer markets for sales of goods and services will be assessed 5 percent of their trade excesses for the right to utilize America’s enterprise consumer markets for profit which eliminates the negative trade deficits in five years.

State governors will be encouraged to replace taxation with recapitalization, utilizing the net worth assessment. This will eliminate deficits and fund infrastructure repairs, eliminate property taxes, and fund education. The deployment of the capital will occur without any regards to race, creed, social standing, or property values. We will embrace positive reinforcement in administrating health and human services by paying for healthcare through withholding from the employed. For the unemployed, use the assessment method for capitalizing safety net programs from net worth, not taxes on salaries and wages. Block grants for Federal revenue sharing will be discouraged.

Gun control should be based on an amendment to the Second Amendment through a definition of safety for the states. We will utilize a set of principles designed for preserving the personal right to self-preservation when it comes to the use of nonmilitary weapons. We will eliminate the manufacture and use of both assault weapons and military weapons, by the private sector, treating their abuse as a felony, with automatic loss of citizenship and the benefits of being an American, as well as implementing fines and life sentences for such violations.

The opposition to government infringement by the gun control dissidents shall be honored so long as the manufacture, sale and private sector use of military weapon controls are honored. The culture of violence in our society contributes to the problem and needs to be an amendment to the first amendment requiring scrutiny and sanctions of media and entertainment releases using restrictions on interactive media. And prospective offenders must be profiled at first offense so preventive and therapeutic interventions are activated.

FOR THE KEYNESIANS, PROGRESSIVES, ESPOUSING LIBERALS, CHANTING CONSERVATIVES, TEA PARTIERS, RELIGIOUS RIGHT AND TRICKLE DOWN ECONOMISTS, THE AMERICAN ENTERPRISE IS IN TROUBLE . . . THE AMERICAN DREAM BUBBLE HAS BURST WHILE THE RED AND THE BLUE CONGRESS AND ADMINISTRATION FIDDLED.

American business should be the purchaser of last resort, not the government. The government is a service agency directed by the private sector’s needs. No regulation is more important than the physical, fiscal, and social health of the nation. Otherwise, we have insured the demise of the great American enterprise. Robert Reich former Secretary of Labor for Clinton Administration was heard stating that the Government should be the purchaser of last resort and the CEO of Exxon stated, when asked about energy exploration, he stated his top priority was to make a profit . . . both are condescending to the America Enterprise System that is to serve all of its citizens most of the time not its individual monopolies, monarchs and czars.

**It comes down to would we rather have politics or money-tics. Politics is the art or science of influencing people on a civic or individual level, when there are two or more people involved. Money-tics is where you alter the term people and insert money before the people. When this becomes the culture terrorism, gun control, immigration, health care, education are influenced by fear factors that are not an art but a science, because fear is always optional depending on its degree and likelihood of happening. Fear tactics are utilized, as Michael Creighton taught us in his book Fear Factor, by vested interests to move their agenda into action. For example: Terrorism is the systematic use of fear, often violent, as a reason for coercion. Some of those tactics are utilized in this book for attention getting only. Any resulting Coercion of our current public officials is up to the voters.**

Changing Government is inevitable so it does not change all of us into robots, drones or rebels. Our personal freedoms are on the line and I mean the battle line. Collectively, we have the right to fair and honorable representation . . . your vote counts so use it for Enterprise.

Political Parties

“The failure of American politics to engage us in full is not an inherent weakness in the American system of government, only in the entrenched, political establishment that would have us believe we have no alternative to them. There’s nothing in the Constitution that says, ‘You will be divided into two main political parties, Democrats and Republicans, and together they will determine the direction of the country, even if that direction is into the ground.’ Their shared dominance of our political system is merely a product of our own malaise. They’re so big for no other reason than we’ve all played so small. Neither Democrats nor Republicans seem to see the writing on the wall; perhaps it is still written in invisible ink. Our political parties have abdicated the sacred trust we place in them and we are married to them in our minds no longer. They have undermined the moral authority of the American political system; we do not trust them anymore.”

–The Healing of America by Marianne Williamson

An effective Third Party Candidate may be part of the answer.

“I heard quite a few people speaking on TV before the last presidential election, unhappy neither candidate represented their highest hopes. And yet most Americans, even if there is a third party candidate who more nearly expresses their views, are afraid to vote for that person lest the Democrat or Republican who most offends them might then win.”

–The Healing of America by Marianne Williamson

Why would America now want a total revamp of the two party system? In the past the third party candidates merely influence the outcome between the two party candidates and do not change the process. But now based on the following predictions for the Obama second term it may become self-evident that America is headed in the wrong direction:

Twelve steps to American bankruptcy

(See Appendix I for budgetary figures for 2013 through 2022)

1. He will barter a deal with Republicans to do what Democratic Governor Quinn did in Illinois in 2010 and 2011. Both the reds and the blues will fight until the end then pass major taxation and reform of entitlements as a means to an end of our enterprise:

a. Tax increases to all and to all a blue bath: reduction in capital formation

b. Tax reform for the middle class: deflation in purchasing power

c. Entitlement reduction: expansion of regulatory agencies and enforcement

i. Change social security retirement age and cost of living formula

ii. Medicare funding as a percentage of GNP

iii. Medicaid funding using block grants and managed care costs

2. Sequestered cuts for defense and healthcare will be reduced or eliminated

3. Withdrawal of troops from Middle East to fund the cliff with no mention of peace as an alternative

4. Amnesty for illegal immigrants with no plan for integration

5. Give the president the authority to increase the debt ceiling up to $20 trillion for two years to fund the budget deficits, $25 trillion by the end of his four-year term, and allow the Federal Reserve to print more Fed notes. In his 2013, budget it shows a $22 trillion debt

6. Force through the largest budgets of all time and increase the deficit by one to two trillion per year during his second four years

7. Further the fiscal and social decline of America: more gun control, rationing of healthcare, increase the new entitlements (Obama care, minimum wage, unemployment, workers’ comp, food stamps, government pensions and raises, expanded IRS enforcement troops, etc.)

8. Shadow diplomacy using fear of Iran and Russia to support internal protectionism

9. Focus on a natural energy policy that will further the control of OPEC (Organization of the Petroleum Exporting Countries is an intergovernmental third world organization dedicated to shared control of the petroleum production and pricing).

10. Destroy the availability of capital with Dodd Frank Law, depriving small businesses of profits for enticing equity investors to finance the creation of jobs

11. Defender of public unions and 19.7 million unionized government workers

12. Further his father’s Marxist theories about withdrawal of colonialism and downplay the role of capitalism in the world

Ben Stein in his article “Don’t Fear Corporations” states, “Corporations in our era do not start wars, or crucify people, or send women and children to death camps. No, only governments that people who hate corporations love (usually because they are envious of the guts it takes to run a business and crave the security that government seems falsely to offer) commit atrocities. Corporations give us most of the good things we enjoy day by day in the way of material goods and services and do it in a usually effective, law-abiding way. The governments and politicians that go after them are the ones to fear.”

John Stossel, in his book No, They Can’t: Why Government Fails but Individuals Succeed, “government has become so bloated that practically every person in America is guilty of violating at least one of its arcane rules every day . . . the rules stem from the alphabet soup of government bureaucracy—IRS, DEA, EPA, OSHA, FTC, FDA—so government over regulation is what kills opportunity, not capitalism.”

What Is Capitalism? The chicken or the Egg . . . author unknown

The best way I’ve found to justify capitalism is to compare it to other forms of socioeconomic and political systems. To do this, let’s look at how the fruits of a chicken’s labor are produced and disbursed under Nazism, Fascism, Socialism, Communism, and finally Capitalism.

Nazism: This is where the government commandeers the hen before the eggs are hatched and raises the offspring as a perfect line. Only the bad eggs are given to the people.

Fascism: This is where the government captures the eggs as they’re laid, eats the yolk, and gives the shells to the people.

Socialism: This is where the people are given the hens. The eggs are laid according to the letter of the law and given to the people for one-half their wages in the form of Social Security taxes. The bad eggs are given back to the producers for recycling in accordance with environmental protection laws.

Communism: This is where the hens are owned by the government. The eggs are commandeered by the government for equal distribution to all. Only the average eggs are given to the people. The best eggs go to the politburo. The good eggs go to the Olympic team. If the annual quotas for production aren’t met, the people are fed to the chickens.

Capitalism: This is where the people own the chickens. They buy the feed and risk their capital. The eggs are sold and the profits, if any, are taxed. The chickens are overworked and underpaid, but protected by unions. The unions guarantee collective bargaining, pensions, and equal opportunity for each and every chicken. The good eggs end up in the omelets served to the lawmakers, the bad eggs are chastised by Rush Limbaugh and called Fascists, Nazis, Socialists, and Communists.

In American parlance, we do not have perfect capitalism when we have the government purchasing 75 percent of everything. You have a monopsony (an oligarchy). When you put the government in charge of being the purchaser of last resort for anything, you have waste, loss of personal freedoms, misappropriation, and average to below average results.

The following is an illustration of the impact of being average: the guy has a bare foot in the bucket of ice-cold water and the other in a bucket of boiling hot water and on average he should feel great. But in reality, relegating everything to average is wasting away valuable resources on average to below average work ethic and guaranteed low quality.

In the final analysis, it’s a question of which you would rather be: the chicken or the egg.

Our society has allowed the regulators to water down our standards by using the concept of minimum standards. We have left the definition of quality to the left and right side of the aisle.

On both sides you have the do-gooders, the defenders, the loyalists, the progressives from Harvard, Stanford, Yale, Georgetown law schools who dream of being a senator or president someday without regard to the constituency. Assuming power is the objective and money is the means to their end goal: having it all.

In the middle there is nothing other than 160 million enterprising but disgruntled workers without fair representation or a way to improve their earning power or chance at prosperity by losing ground to the elite and largess operators. With too many laws, regulatory impediments to enterprise, and jobs requiring skills that have been shipped overseas with the American worker on his/her way to being the servant, not the served.

January 1, 2010 was a big milestone in this scary look into the future with the introduction of 40,627 new laws (estimate for 2012, 40,000 plus again) that went into effect throughout the nation and its territories. That is some 800 on average per state in the union, covering as widely diverse topics as texting while driving to mold removal in homes and criminal laws against people who scam other people. Each law must be funded and adds to the state and federal deficits at an astounding rate. It is killing the great American enterprise.

Even though the stock market has almost doubled since 2007, the increases are primarily from investments into mutual funds of public monies for public pension plans. This continues to inflate the economy and devalues the dollar, plus the temporary investment of borrowed funds from foreign creditors goes into this deflationary cloud without making it down to small businesses.

What happened to the pursuit of excellence that we talked about in the ’80s when Tom Peters highlighted American ingenuity and commitment to the progress of the working man and woman? In those days smaller was better but bigger was gaining momentum by outsourcing to other cheaper labor. Interestingly, if our government overhead was not 33 percent of GNP and the work ethic had not been destroyed by the new entitlements (unemployment and workers’ comp, disability, unionized pensions for public servants, PTO, etc.) our labor costs would now be competitive with the benefit of hungry Chinese, Koreans, Mexicans, Japanese, Eastern Indians who now want their version of the American dream. So maybe the answers we are seeking and proposing in this book is to lower the fixed overhead and let enterprise breathe, so they can decide the benefits for those employees who are above average and have earned their higher income. Rather than relegating everyone to a mediocre performance.

George Washington, the father of American Enterprise: “Government is not the reason. It is not eloquent; it is a force. Like fire, it is a dangerous servant and a fearful master.”

The American Enterprise “needs a party for the underdog and appeals to the aspirations of the American people,” Newsmax publisher Christopher Ruddy. The American Enterprise Party is the alternative that represents the enterprising nature of the majority of Americans, be they white, black, brown, red, or yellow; foreign, alien, or naturalized citizens who work and support the fearful master: a government burning out of control.

Adam Smith, father of capital deployment and Enterprise: “The general industry of the society never can exceed what the capital of the society can employ. Debt capital employed by society can be a friend to the needy and an archenemy of the republic.”

The Republic, supreme power held by the citizens to vote and is exercised by elected officials and representative government according to law.

• A democracy: supreme power held by the citizens to vote and is exercised by elected officials and representative government according to law.

• An enterprise: undertaking challenge, readiness for daring action, a business model, organizes and assembles an enterprise for work, security, and happiness.

• A social enterprise: George Will is famous for saying “Americans want a welfare state but do not want to pay for it,” that is the definition of the social enterprise that makes the government the benefactor but also the choke point for funding its commitments.

• An American enterprise: the social and business model integrated by splitting the service agencies between the public sector and the private sector by downsizing government and upsizing business for the good of society.

• Free enterprise is a misnomer, meaning the free flow of supply and demand, but that assumes no restraint of trade or no government intervention, which is a pipe dream.

Are these different factions or bedfellows or a contradiction? As George Washington predicts, when one is pitted against the other we have a dominant servant and a fearful master. So the time is to promote nationalism (devotion to national interests, unity and independence of thought and action) and patriotism (one that loves his or her country) for the good of the American Enterprise. It is a blending of the political process and economic realities to formulate a provocative but effective fiscal plan that brings socioeconomic politics to the majority not the selfish influence of the minority, for it is the majority that will fund the process and create a responsible balance for the future. Therefore we need to deal with the real obstacles to taking back America from those that created the problems.

Enterprise Party (corporate by-laws, board of directors, and complete party platform presented in Chapter 13)

• Offer a third alternative to the two-party system that will focus on America’s middle-class, aging population, immigrants, youth, and small business as a strong voting consensus that America must build on peace and enterprise not money and the elite caste system)

• Create private-sector jobs for reclaiming forests, repairing infrastructure, fighting, and preventing natural disasters (i.e., privatizing government jobs for America’s response to natural energy creation)

• Devise a tax system that is based on net worth, not income or purchasing power (the death tax becomes a recapitalization of the enterprise, using wealth that is generated through the use of the enterprise for the standard of living for all enterprising Americans)

• Put individuals in charge of their own individual healthcare spending accounts to eliminate the middlemen (get government and insurance company overhead and profits out of the equation) who profit on illness, not wellness

Divided we fall, together we stand. Let enterprising Americans have a role in governance due to the failure of the two-party system to be accountable and effective in its leadership. (See Appendix VII for further dysfunctional signs and symptoms of a failing government.)

Causes of this failure:

Cooking the books cooks our goose

Government ignores the very rules that enterprise has to abide by. Generally accepted accounting principles (GAAP) require that the debt for entitlements, pensions, and accounts payable that apply to a particular fiscal period must be recorded and matched to revenues that have been earned. Government being on the cash basis intentionally accelerates collections of taxes (paying in estimates for the next period’s taxes) and defers expenditures as long as possible (unfunded but committed public-sector pension costs, Social Security pension costs, and healthcare costs) creating the illusion that we are better off than we really are. The $16 trillion deficit is really $123 trillion if GAAP was practiced. Why are we allowing our elected officials to mislead us into thinking that we are not as bad off as we really are?

Cooking the economics with interest rates

The Democratic Party blue economics: under “Keynesian” theory bigger government creates economic growth, cutting government spending hurts economic growth. Obama and his advisors are Keynesians. They believe that government spending creates infrastructure jobs and grows the economy; that using the Federal Reserve banking system to set exchange interest rates controls inflation and increasing taxes to balance the growth of the Federal budget controls the American economy.

The Republican Party red economics: under “trickle down” economic theory, increasing taxes hurts economic growth. Reagan and his advisors were trickle down advocates. They and current conservative Republicans believe that cutting taxes creates jobs and grows the economy by giving entrepreneurs, small businesses, and risk-takers more capital to create jobs and grows the economy; however, in practice they promote continued growth of big government, and as a byproduct, want to cut acceptable entitlements and use lawmaking and punitive regulations to further control.

 Cooling the debt and heating up the economy

The American Enterprise Party economic formula: smaller government and elimination of the new entitlements induces profitable business enterprise by downsizing government, privatizing regulatory agencies, and economizing the cost of government creates the dynamics of enterprise, which are jobs, jobs, jobs, profits, taxable income, and GNP growth. Through reduced government overhead, capital development thrives, the deficits are eliminated, national debt is paid down and America’s needed entitlements are intact.

The war on debt economics formula: mobilized workers, focused objectives, measurable goals, adequate financing for the duration, disciplined approach to work, flexible work hours, decks cleared of obstacles to mission (over regulation), measurable results. Examples, WWI and WWII created economic growth while the subsequent wars were not motivated by nationalism, because of the limitations put on the reason for the missions; i.e., no definable outcome and no resulting growth in income.

So let’s mobilize the constitution. Use the Enterprise structure, composition, and makeup of America to start a new form of government enterprise. Use the basic constitutional law in a socially organized third party. To do as the founding fathers pointed out, enterprise and capital are required, both human and monetary, so downsizing government, economizing natural resources, recapitalizing America’s enterprise by using investment incentives; for those who have high net worth, to capitalize small businesses, entrepreneurial initiatives, and funding risk-takers is the essence of this book.

The real answers to great questions are below the obvious and above conventional wisdom. As Michael Crichton, in his bestselling book Fear Factor, said, “Conventional wisdom is invariably out of date. Because in the time it has taken to become conventional wisdom and become what everyone believes to be true, the world has moved on. Conventional wisdom is a remnant of the past.”

Conventional wisdom and past experience demonstrate that a third political party cannot win—until now.

Ten reasons why we need an effective third party alternative that is functional in controlling the runaway wasteful cost of government:

The existing two-party oligarchy does not represent the 313 million American citizens and immigrants. Just try to call up or on your “too busy to see you” senator or representative.

1. The red and the blue are not accountable to problem resolution, only their political disagreements on their selected social and fiscal issues.

a. Public servants have become public savants (savants may exhibit exceptional memory but have difficulty putting it to use. Savant skills are usually found in one or more of five major areas: art, musical abilities, calendar calculation, mathematics, and spatial skills).

b. Private sector has become private slaves (taxpayers, workers, and common folks).

2. A “yes/no” answer has been lost and honesty disregarded.

3. The dollar means more than moral character.

4. Financial and moral responsibility to constituencies is not a requirement for being elected.

5. The term “lawmaker” commits us to laws we do not need and cannot afford. It dilutes our freedoms according to the constitutional right to due process. This destroys the creativity of the “job makers” and individual freedoms.

6. Our democracy has fallen to career politicians, unions, and bureaucrats.

7. Fair representation means more than the class system that progressive or conservative policies have relegated to enterprising Americans.

8. Public sector and service union dominance over monetary and tax policy dumbs down the enterprising private sector; i.e., Americans’ creative juices. The former public servants are now the ruling class.

9. The need for our public and private governance to stand up for the great American enterprise and the enterprising American’s work ethic that is lost in the oligarchy and the present socialized system.

10. The evolution of a social enterprise precedes socialism that evolves into Communism, where the Congress, Supreme court, and the administration become the politburo. After that is Marxism and all personal freedoms are forever lost unless we have another American Revolution of 2026.

It comes down to pursuing positive solutions to negative externalities, as defined in Super Freakonomics by Steven Levitt and Stephen Dubner. What is an externality? “It’s what happens when someone takes an action but someone else, without agreeing, pays some or all the costs of this action. An externality is an economic version of taxation without representation. The greenhouse gasses thought to be responsible for global warming are primarily externalities since each of us are generating some by-products we are not paying for.” For example, if we are obese and don’t pay for our healthcare costs, if we are retired we are not paying for our health benefits, we are not internalizing the cost, and when we aren’t compelled to pay the full cost of our actions, we have little incentive to change our behavior. “Today, people are being asked to change their behavior not out to self-interest, but rather out of selflessness.”

“Not all externalities are negative.” A positive externality is when we pay for public education and have no kids in school. That’s why we have entitlements, to positively share in the cost of positive externalities. In their first book, Freakonomics, the authors establish that “moral incentives are the way we would like things to be and economic incentives are the way things are,” so a third party political alternative is a needed economic incentive to have the common good internalize (fund through taxation) the positive entitlement externalities for the greater good of the American enterprise. But the taxation must be for that purpose, not the irrational expansion of the public sector.

Example: By having our own OPIC (Organization of Petroleum Importing) Countries as an intra-governmental first world control over demand can play a significant role in establishing the reasonable supply, demand and price of energy. It is imperative that we rethink our national energy exploration so off shore drilling and fracking for natural gas as our oil and gas extraction policy are not destroying our natural resources. It is disturbing that fracking seems to be polluting our waters in the process of extracting natural gas supply. For automobiles to conserve energy consumption, being flex fuel capable (hybrids offering multiple options), will have to grow from 6% to 50% of the cars on the road and 50% of home usage provided by nuclear or natural gas. Unfortunately, the bureaucracy tends to chase solutions without the involvement of the private sector. It is more money-tics than practical solutions.

Qualifications to write about solving negative externalities

Why am I qualified to write this book on American enterprise and work ethics? I am not a professor of economics, not a PhD of any kind, not a politician, not an artist, not a bureaucrat, just a CPA-licensed entrepreneur that has struggled my whole business life working on ideas and pursuing my own enterprise against all odds. What are the odds; 60,000 new businesses are formed in America each month and about the same number go bankrupt each month. I was told by someone that said I should not start a business, that if you survive five years you have beaten the national average for small businesses. Well, I have survived in my own businesses for thirty-six years (1977 to now) and still doing it. Most, if not all, of that time was on inadequate capitalization and pursuing ideas that were definitely not main stream. To me that is what democracy and freedom to fail are all about.

Why would I ever start if the odds were so high? Well, I was fired by my boss and had no other choice than to pursue ideas that my boss did not buy into. So I started a business out of thin air and have been out of breath ever since. However, I have done it my way, as the song says it best. The path has been hard but gratifying as it continues to move upward to my personal agenda. My objective is to attain change in healthcare and my goals are to provide the elderly a better quality of life. Or is it goals and objectives? In my parlance, the objective is ethical work, and the goals are quality of work.

My first clue that I am by nature a salesman was being in the Lion’s Club and selling more candy for the blind than anyone else by eliciting kids to approach adults for the sale and then providing the kids with candy. I became the rainmaker in the accounting firms I worked for and finally found out I was good at getting people to believe in me and my message. Having been somewhat introverted and shy as a child, growing up this inspired me to spread my wings. In my experience, the most important quality to be an entrepreneur is to be able to sell your ideas to someone else, but the idea must come from a proven ability to work it into that customer’s profitable enterprise.

In the accounting firms, I was recognized as a Medicare expert from my background with a much larger accounting firm. In this role I was selling my ideas on how Medicare can benefit the elderly, and to this day that is my gig. I mustered out of one firm due to my desire to work for a larger firm and then got fired from that firm because I was too radical with my ideas of how to develop and grow the healthcare practice. So in desperation I started my own enterprise, an accounting firm (J. L. Rhoads & Co.) in my kitchen. From there my clients’ needs dictated getting into software development, management consulting, management services, tax services, accounting services, and systems design and implementation.

I became politically involved as a recognized expert by trade associations and the legislators, testifying and crafting white papers for Medicare and Medicaid payment systems. This was all focused on the burgeoning healthcare industry, leading me into eventually owning and operating them; giving rise to six books on self-health and this book, Give Me Enterprise or Give Me Debt, a public declaration of intentions, motives, and views (manifesto) on America’s fiscal responsibility and the need for more effective leadership in healthcare and the wealth care of a nation underwater.

The rest of the story. Michael Creighton, bestselling author, wrote in his book entitled Fear Factor that fear is used as tactic for forcing political agendas on the masses. For example: use of the fear of global warming by the conservationist’s to propose deprivation rather than rational solutions. The “inconvenient proof” should be left to the scientists not Al Gore and his political agenda. In the best-selling novel by Yann Martel, a magical adventure story centering on Pi Patel, the precocious son of a zookeeper, states that fear is the only thing fatal to life. So fear is used incessantly by politicians, bureaucrats, and media to make us comply with their initiatives, opinions, and issues; all the while distracting us from the reality of fairness and practical solutions:

For example (as proposed in detail in Part I): conventional knowledge says our negative financial condition is caused by unfunded entitlements, so we have to stop our spending spree on these fixed costs even though we will hurt the aged and disabled. This abstract thinking is forgetting what is right and wrong. First of all, Social Security and Medicare trust funds do not belong to the government, though $700 billion has been borrowed to fight wars, and Medicaid is a safety net paid for by the taxpayers for needed health care. These are trust funds belonging to the beneficiaries. To deprive them of entitled benefits is illegal and should not be touched for the reasons they are being dissipated: loans to the general fund, purchase of treasury notes, payment of interest on national debt, rationing of the funds for care to others, payment for wars, etc. We do not have the legal right to impound these entitlements. We don’t need entitlement reform, we need government reform.

For example (as proposed in detail in Part II): we need and can reduce spending on the new entitlements (Obama Care, unemployment, workers’ comp, welfare, food stamps, public pensions, disability, work leave, COBRA, etc.) that have been entrusted to the government. They are diluting the work ethic and forcing businesses to pay expenses that are not related to producing products, profits, and taxes. Government should be funding these entitlements out of increases in the GNP and GDP, if at all.



PART I … Chapter One (intro only, see manuscript for full text for all 13 chapters, exhibits and appendices) PART II … SUMMARY follows this section

War on Debt: Wake up, America—Save the Enterprise

We have institutionalized the Enterprise with big government, public sector dominance and borrowing our capital. We are dominated by academic issues rather than problem solving. The majority of voters are not empowered to find a reasonable candidate nor party. It is time for the private sector to take back the Enterprise.

The will of the many shall overcome the restrictive rules of the few or we are killing Entrepreneurial spirit and economies in their intent. Adam Smith, Wealth of Nations, 1776: “The general industry of the society never can exceed what the capital of the society can employ. As the number of workmen that can be kept in employment by any particular person must bear a certain proportion to his capital, so the number of those that can be continually employed by all the members of a great society must bear a certain proportion to the whole capital of that society, and never can exceed that proportion. No regulation of commerce can increase the quantity of industry in any society beyond what its capital can maintain. It can only divert a part of it into a direction into which it might not otherwise have gone; and it is by no means certain that this artificial direction is likely to be more advantageous to the society than that into which it would have gone of its own accord.

U.S. National Debt Clock
[www.usdebtclock.org](http://www.usdebtclock.org)

The outstanding public debt as of 26 March at 2:35 PM CST is:

($16,743,476,548,796)

Debt is ticking up at $250,000,000,000 per week

The GAAP accrual basis unfunded pension, entitlement,
and deferred contract debt for public sector is:

($59 Trillion Total National Debt)

(50 States debt, reported on the cash basis, now exceeds $4.17 trillion dollars, many contemplating bankruptcy; California alone $617 billion, with 15 of the largest US Cities near bankruptcy; NY leads with $4.9 billion) (all reporting on the cash basis of accounting thereby understating the debt by more than 100%)

The estimated population of the United States is 313,857,277,
so each taxpayer’s share of unfunded debt is $1,088,166 with
ten thousand Baby Boomers retiring every day.

The national debt has continued to increase an average of
$3.88 billion per day since September 28, 2007!
37 million Americans have college loans totaling
$1 trillion dollars exceeding credit card debt . . .
most will not be able to service that debt let alone liquidate it.

They face unemployment driving up another entitlement . . . unemployment checks. Concerned?
Then just try to tell Congress and the White House!

Gross national income: $15.23 trillion,
current prices 2011 Source: World Bank

The US budget deficit hit a record $1.4 trillion for the year ended in September 30, 2012, US Congress estimates say. Total trade deficit is $723 billion with China at $317 billion.

The deficit was equal to 9.9 percent of gross domestic product (GDP), more than treble the 2008 level and the highest since the end of World War II. Total interest paid on total national debt is $3 trillion.

Currently the USA has negative net worth, negative working capital, inability to cover debt service out of net income and is deferring trillions in liabilities to the future. We have let the Congress knowingly cook the books, accelerating tax collections and deferring payments, then borrowing the difference. This is the definition of insolvency then bankruptcy. This usually requires a Chapter 11 plan of reorganization if the organization is to survive, or Chapter 7 or 13 if it cannot survive.

2013 and 2022 proposed annual budgets, shown below in billions
of today’s (cash basis of accounting) dollars

(source: proposed Obama fiscal budget for the next ten years)

|  |  |  |
| --- | --- | --- |
| Expenditures: | 2013 | 2022 |
| Defense | $699 | $788 |
| Non-defense | 600 | 611 |
| Total discretionary outlays | $1,300 | $1,398 |
|  |  |  |
| Mandatory outlays: |  |  |
| Social Security | $725 | $1,361 |
| Medicare | 480 | 967 |
| Medicaid | 275 | 589 |
| Other (Obama Care and other) | 633 | 846 |
| Total mandatory outlays | $2,073 | $3,763 |
|  |  |  |
| Interest on national debt | $230 | $915 |
| Total outlays | $3,603 | $6,098 |
|  |  |  |
| Receipts: |  |  |
| Individual income taxes | $1,091 | $2,401 |
| Corporate income taxes | 181 | 501 |
| Social Security | 566 | 1,150 |
| Medicare | 188 | 355 |
| Medicaid (state and federal revenue sharing) | -0- | -0- |
| Other retirement | 8 | 13 |
| Unemployment taxes | 56 | 60 |
| Excise taxes | 72 | 157 |
|  | 2013 | 2022 |
| Estate taxes | 8 | 13 |
| Custom duties | 30 | 52 |
| Federal Reserve income | 83 | 45 |
| Other | 20 | 100 |
| Total receipts | $2,303 | $4,855 |
|  |  |  |
| Deficits (every year through 2022) | -$1,300 | -$1,193 |
|  |  |  |
| Cumulative deficits from 2013 to 2022 |  |  |
| -$8.663 trillion |  |  |
|  |  |  |
| National debt at 2022 | $25.9 trillion |  |
| Government accounts (foreign debt) | 6.3 trillion |  |
| Held by the public | $18.6 trillion |  |
| Annual interest | $915 billion |  |
|  |  |  |
|  | 2013 | 2022 |
| Outlays by agency (billions of dollars): |  |  |
| Agriculture | $25 | $27 |
| Commerce | 14 | 10 |
| Education | 64 | 79 |
| Energy | 17 | 20 |
| Health and human services | 84 | 95 |
| Housing and urban affairs | 43 | 47 |
| Interior | 12 | 14 |
| Justice | 28 | 33 |
| Labor | 14 | 13 |
| State Department | .1 | .1 |
| Transportation | 15 | 17 |
| Treasury | 13 | 17 |
| Corps of Engineers | 6 | 6 |
| EPA | 10 | 10 |
| GSA | .4 | 1.5 |
| NASA | 19 | 21 |
| SBA | .8 | 1.1 |
| Social Security administration | 9 | 11 |
| Corporate services | 1.2 | 1.3 |
| Other (IRS, etc.) | 20 | 23 |
| War zones | 163 | 44 |
| Total outlays by agency | $1,258 | $1,309 |
|  |  |  |
| Defense | $699 | $788 |
| Non-defense | $600 | $611 |
| Total discretionary outlays | $1,300 | $1,398 |

Footnotes:

1. The debt ceiling will continue to be increased

2. Record deficits will continue each year (see Appendix I for details)

3. The credit rating will continue to be downgraded

4. The Federal Reserve will continue to print money ($1.00 now worth $.17 since going off the gold standard)

5. Tax reform will increase taxes on the middle-class

6. Other reforms have been factored into this budget forecast

7. The budget strategy that cutting entitlements will save us is false. Social Security and Medicare are paying for themselves if allowed to invest funds in the economy rather than loaning the reserves to the government general fund to fight wars and develop weapons of mass destruction.

8. Medicaid is a problem due to Obama Care and cost-shifting Medicare benefits to state Medicaid programs using reform as the tactic

Read my mind: it is not the Old Entitlements (legally withheld money does not belong to Government discretion) but the New Entitlements erode business profits.

Politicians who want to dwell on issues (differences of opinion between the red and blue) rather than deal with the problems they themselves either enacted or failed to solve are avoiding the reality that government’s number one responsibility and purpose is to enforce the law, not just make more laws. The problem with the budget is not the Entitlements for the elderly, impoverished and unhealthy, it is that Congress itself is expanding government for the sake of power with the new entitlements. I reiterate that rational business theory can resolve the deficit problem by the following:

1. Cut government payroll, healthcare benefits, and pensions at all levels of federal, state, and local employees. To balance any insolvent business the first move is to cut back to the breakeven point, which typically starts with the payroll. Government payrolls around the US total of 19.7 million employees or an annual payroll of $1.3 trillion and unfunded pensions totaling $25 trillion.

2. Economize on misdirected wars, failed diplomacy policies, and pursuit of freedom for all, in spite of the reality of warlords and dictatorships, under the auspices that we can win the war on terrorism, Communism, socialism, drug-ism, etc. Stop the pursuit of liberty for all by discontinuing all foreign aid until we have balanced the budget.

3. Reduce defense spending by $300 billion by bringing troops back into our lines of defense for our borders, airports, transportation lines, energy sources, and clean up the city education delivery and infrastructure.

4. Finance the balance of trade deficits by assessing a sales distribution fee of 5 percent of the sales created and serviced by American companies for foreign products, thereby creating 5 percent of $75 billion per month in trade deficits or annual reduction in the trade deficits of $90 billion per year in service revenues for funding capital for small businesses in the USA.

5. Finance healthcare through a withholding program and an enterprise approach to delivering, paying, and monitoring quality-of-life programs through mutual health insurance companies that invest the funds in American small businesses.

6. Finance Social Security with an increase in retirement age to seventy-five and an increase in the withholding rate to 10 percent: 5 percent for beneficiaries and 5 percent for enterprise.

7. Incorporate OPEC (Organization of the Purchasers of Energy Countries) to negotiate with the Organization of the Petroleum Exporting Countries (OPEC). The countries to be offered stakes in the new corporation would be Russia, Japan, China, Canada, Great Britain, Germany, and any other members desiring to control the cost of energy around the world.

8. Finance the affairs of the USA using a value added tax based on each taxpayer’s net worth; all taxes replaced by 5 percent of net worth. Those who have profited from the American enterprise economy should pay more than those that work for those entrepreneurs and businesses.

9. Turn lawmakers into job makers, having 50 percent of the elected officials from the private sector, and for every bill passed a law must be removed. All regulations that inhibit business are removed systematically, reducing the cost of government and stimulating the creation of new products and jobs. Illegal aliens need to be processed into the Social Security System with Green Cards and job training to replace a job force being decimated by retiring “baby boomers.”

10. Require fair representation for the use of demonstration projects and grants for research and development funded by taxpayer monies to include a private-sector competitive input before issuing the funding.

America needs fair representation of the private sector, aging Americans, middle-class taxpayers, fringe groups who do not have a party. Look at the flag: red on the right, blue on the left, and white in the middle, not being represented. It has nothing to do with the color of skin but the color of money. Left supported by the socialists, right supported by the industrialists, and the middle that has to be represented by enterprise.

Currently, incumbents, congressional committee chairmen, and power brokers are based on tenure; government-employed attorneys, lifetime public servants, inherited offspring, and aspiring egos representing the academic world keep the farm animals in check, now to fore defined as the intellectual elite or monarchy. It is their dominance over the last six presidents that have desecrated the constitution and budget. Now is the time for the private sector to seek and take their share of the authority since they pay the bulk of the payroll and overhead. That is what the private sector is good at, meeting budgets and making money. (See Appendix VI for the ruling class primary colors.)

Welcome to the new unchecked entitlements promulgated by our socialistic government:

• Minimum wage

• Obama Care

• Food Stamps

• Public Sector employees

• Unemployment insurance

• Workers’ compensation insurance

• Disability SSI

• Welfare

• Minimum wag

• Group health insurance with COBRA paid for by businesses

• Paid leave (holidays, sick leave, paid time off)

• Pensions for unionized public employees

How could this happen?

PART II - Summary

Restore the American Work Ethic

Where Oh Where Has It Gone

**W** illfull

**O** wnership

**R** enders America

**K** ing of the mountain

“When you work you are a flute through whose heart the whispering of the hours turns to music . . . and what is it to work with love? It is to weave the cloth with threads drawn from your heart, even as if your beloved were to wear that cloth.”

–Kahlil Gibran, The Prophet

E ffort

T ried and

H eld

I nto a

C ulture

Ethic, defined as a set of moral principles, esp. ones relating to or affirming a specified group, culture, or form of conduct: “the puritan ethic”.

The American Dream is built on work ethic. “The will to work” in a free market is inherited from our forefathers but sustained by each of us. The willful ownership by rendering effort to be a king of the mountain has motivated enterprising workers since the first revolution in 1776. Since then we have allowed our government to impose restrictions on the growth of the private sector using taxation at forty-six different levels to control businesses while building institutional government at all levels.

With the consumer price index rising from a $1 worth of purchasing power in 1955 to requiring 8.58 times as much to stay up with costs in 2012 and the unemployment rate floating between 4.1 percent in 1955 to 10.8 in 1982 to 10.0 in 2012. It is no wonder that the decline in the American work ethic prevents businesses from creating more jobs. As prices increase due to the cost of capital (interest rates being gamed by the Federal Reserve system) and the reduction of purchasing power of the dollar, revenues, profits and capital will spiral downward and the national debt upward.

It is the new entitlements that deprive enterprise of much-needed capital to create jobs and reduce American workers’ dependency on unemployment benefits, minimum wage, public service pension debt, workers’ compensation, food stamps, welfare, enforcement agencies for collecting taxes, and utilizing depleted tax revenues. Some thirteen million public-sector workers in the United States—including teachers, police and firefighters, state and municipal employees, judges, and legislators—and another six million federal and military employees participate in government pension plans. These pension systems are extraordinarily diverse in design, investment policy, and governance, and they face substantial challenges as the government-sector workforce ages and governments are asked to take on new and different tasks.

Are the public-service pension fund managers (i.e., California Teachers Association Pension Fund) investing in the American economy or funding wars or the development of weapons of mass destruction or promoting the intrusion of labor unions on capital deployment? The point is there is no accountability in the funding of or the use of these resources other than complex budget proposals that state and local legislative branches choose to pass or put in abeyance until the electorate forgets about it. All of this is impacting the creation of jobs that then affects the American eroding work ethic.

Work Ethic: a Formula for a Productive Life

A Culture of Ethical Behavior . . . Is it the—

Best Worker . . . focused on the job at hand with the discipline to pursue completion.

Best Employee . . . reliable when the chips are on the table without fear of complications.

Best Person . . . thinks of others over the job and will take the fall for others.

Best Technician . . . left brain intelligent when there is a pattern to follow and documents work.

Best Theorist . . . looks for an easier path to completion with no preconceived notion on results.

Best Tactician . . . rote in setting up the work flow with efficiency and productivity as priorities.

Best Strategist . . . visionary, a planner and a self-starter that moves beyond assignments.

Best visionary . . . most creative, less worried about risks and obstacles, will change the world.

Best Bureaucrat . . . is empathic towards the private sector and communicates rules objectively.

Best Entrepreneur . . . resistive to instructions, wants to travel a new path and excels at problem solving.

Workers are first employees with certain of the above talents and functions but ethics are a learned habit taught and enforced by ethical leaders. So each position must honor a culture of ethics practiced by its leadership’s values.

Again, Adam Smith’s insight gives us clarity.

“We are more industrious than our forefathers, because in the present times, the funds destined for the maintenance of industry are much greater in proportion to those that are likely to be employed in the maintenance of idleness. Our ancestors were idle for want of sufficient encouragement to industry. It is better, says the proverb, to play for nothing than work for nothing. In mercantile and manufacturing towns where the inferior ranks of people are chiefly maintained by the employment of capital, they are, in general, industrious, sober, and thriving”.

The mind feasts on the bad luck of others to feel good about its own fear of failure.

It is the thought that is ethical, not the act; the act is purely a response to thinking.

How can we think ethically and work respectfully? Did Jesus think ethically? Did Martin Luther King live ethically? Of course the answer is yes, but how did they form that way of thinking? Was it a birthright or life right? The right we all have to think right and live right is the “what,” the effort to do so is the “how,” and the “when” is now.

Today’s thinking builds tomorrow’s ethic, tomorrow’s ethics builds your life. Be it work or success, each of us must create it. That is the ethic of meaningful work.

Entrepreneurs are the backbone of the economy of a flourishing country because they are responsible for initiating new businesses which are extremely helpful in the acceptance of economic risk and creating financial reward.

However, work ethics in American enterprise is losing ground. Why . . . because there is no active representation of self-worth. The Democrats promise government worth and the Republicans promise business wealth. But who represents personal enterprise worth? The American worker is the most enterprising in the world, but that value is declining. Why? Big government and personal wealth of a few stifles the growth of the many.

What is needed to reverse this social and economic backsliding? Another political and great enterprise point of view must emerge based on the following ethical platform:

1. Work ethic must be nurtured

2. Education must focus on creativity and risk taking as a culture (it takes both human and mental science)

3. Government must serve, not sever, creation of work ethic and human relationships around the world

4. The wealthy must reinvest their profits and capital in American small businesses and the work ethic they represent.

The four planks of this platform will require a reconstitution of our society based on former values:

• Life is the vehicle

• Liberty is the fuel

• Pursuit of happiness is the engine

• Work is the creator of all value

• Enterprise is the freedom of each enterprising individual to succeed

Leaders must deal with solving social and ethical problems, not just debating their personal biases and differences of opinion (so-called issues) such as:

• America’s health decline

• America’s self-value decline

• America’s peaceful actions decline

• America’s net worth decline

• America’s resolve decline

When growth of the nation stops, decay begins. The science of self-health of the person and the nation is at stake.

S cience

E ngineered

L ife

F ulfillment

H ow you think determines your fate

E thics determine your destination

A ction determines your journey

L ife determines your legacy

T ime productively expended determines your ethics

H ealth is a journey not a destination

Healthy body, mind, heart, soul = self-health HABITS

American workers are enterprising and work brittle. The five-day, forty hours per week, 180 hours per month, 2,080 hours per year are in the past. Working at being an American is a twenty-four-hour per day proposition. Until the private sector takes back control of the biggest business in the world (the American economy) the public sector will stifle creativity for the sake of lawmaking, regulatory intrusion and job-breaking.

The following are mental exercises to pursue an ethical, longer abundant life.

• During the day, repeat your top ten goals in sequence of want

• During the evening, read your list out loud to your spouse

• During the morning, thank your spiritual advisor for the top ten solutions

• During your work, mentally pursue your top ten goals of gold

• During your retirement plans, think through how you will continue to work and play the monopsony game with your ten goals.

The Monopsony Game demonstrating the power of the Government in our lives is available through the American Enterprise Party web site.

E xercise your

T hought and

H ealth

I nto job

C reation

Chapter One (first of nine chapters for Work Ethic see full manuscript for the chapters and index)

Introduction to Work and Longevity—
Building Ethical Behavior

P ride

R ules

O ur

F inancial

I nterests and

T axes

Profits are defined as the return on invested capital through work products. But our self-health research found that work is the lifeblood of profit and longevity because it keeps the brain and organs stimulated with energizing blood flow, while inactivity destroys brain cells and synopses and the will to live.

“Man of the dart/spear,” or alternatively “his death shall bring,”[1] is the oldest person whose age is mentioned in the Hebrew Bible. Extra-biblical tradition maintains that he died on the eleventh of Cheshvan of the year 1656 (Anno Mundi, after Creation), at the age of 969, seven days before the beginning of the Great Flood.[2] According to Rashi on Genesis 7:4, God delayed the flood specifically because of the seven days of mourning in honor of the righteous Methuselah. Methuselah was the son of Enoch and the grandfather of Noah. The name Methuselah, or the phrase “old as Methuselah,” is commonly used to refer to any living thing reaching great age.

Webster defines longevity as a long duration of an individual’s life. It is the how many of what you are, who you are, when you are in the short duration of history. Does it really matter that celebrities are in the public’s eye and complain that they want to be left alone? Not really, 100 years from now. Who was Caesar anyway? Was he a shortstop with the Cubs or White Sox?

Our world will be based on how many years are shown on our gravestone, not how many sexual encounters we had. Ego is a life-shortening, gut-wrenching, “sorry for ourselves” troublemaker in the long run of things. Is longer better than wider, or is fame bigger than what you have done for your family? Who cares if you are on the cover of Rolling Stone when it is no longer relevant to the future?

The point being; for our own self-health there needs to be an appreciation of what we have accomplished, in keeping with our natural self-health that we inherit from the natural universe of time.

Then, it must be applied in a learning mode:

1. Learning how to make friends

2. Learning how to be a good father or mother

3. Learning how to be a good teacher of others

4. Learning how to be a gift to society

5. Learning how to be a leader versus a complaining follower

6. Learning when to stand up and when to sit down

7. Learning when it is time to begin and when to bow out

8. Learning when it is too late to fool with Superman’s cape

9. Learning where you fit in the bigger picture

10. Learning where you fit in the smaller picture

Making Friends

Grade school was the start of making friends for me. The kids in my neighborhood all went to the same school as I did and the bonding took place on the playground, and in the backyard. Any group has a leader and followers. Grade school was the first experience I had with leadership. Starting up a touch football game, a game of marbles, a game of hide-and-seek, a game of “tease the girls,” a game of “who is on my team,” a game of “anti-anti over the church steeple” with my friends.

Junior high school was more about girlfriends than it was about the boys. They were teammates in sports, but not as enticing as the girls. The pairing up started in fourth grade with “she likes you” to “who is that” in eighth grade, to “will you go with me to the picture show” in ninth.

High school was the maturation of the body and spirit, called “falling in love with someone’s look”; infatuation more than any commitment. But the juices were flowing and life became more about who dates who than true friendship. Sports stipulated who would make it competition rather than bonding for the boys. The girls, on the other hand, did make lasting friends. In the smaller communities, gangs and cliques had less of a hold on the individual than in the cities. Again, being a gang member or a Boy Scout did not represent a lasting friendship.

College was founded on individuality and did not pull either sex closer together except for dating and courting. The frats and sororities worked hard at bonding with their rituals and social events, but still little-lasting friendships that even came close to the bonding in grade school formed reasons for reunions but not permanent unions. Those are fleeting relationships at best.

Therefore, the true lasting friendship is in marriage and commitment to family. Can you have friends otherwise? It would be stupid for me to say no. It is the very definition of friendship that I refer to. Webster says it is “one attached to another by respect or affection.” Have you heard the phrase “absence makes the heart grow fonder”? The very essence of friendship is not absence, it is permanence. That is not just some acquaintance, it is someone you have bonded with, a wife or a husband.

How to be a good father or mother

To my knowledge there is no class or checklist on “how to be a good parent.” It is mostly on-the-job training, with mistakes abounding. Any accomplishments in this endeavor are based more on common sense or inheritance than intelligence. Life is a cycle out of control until control is learned.

Control, as established in self-health book number one, is mental, not physical. The mind is the determinant of all we seek and find. So the mere birth of an offspring, in my experience, is truly eye-opening and demanding. That moment that someone else depends on you and your values, goals, friends, and loyalties will mold the next generation of you.

You have to want to be good for goodness’ sake. Parenthood takes understanding, affection, and respect. The parent trap is trying to do it after divorces and broken promises. I have been fortunate to only have to manage my self-control in one set of family ties, not two or three. Those that do it in the nuclear families have my sympathy and empathy at the same time. It is either complicated friendships or sinking ships, but just making it work is wonderful when it does.

How to be a good teacher of others

I have had my own small businesses for almost forty years and I keep learning the same lesson over and over: the only true friendship is built on teaching someone something of value and praising them for learning and then doing it. Ironically, the same is true for raising stable siblings. I never considered myself a good teacher. I aspire to be but don’t take time to map out a plan for teaching someone else friendship skills. I am not a backslapping, rah-rah sort of leader. I have high expectations and low accountability skills. Follow-through is the most important skill of a good teacher of others, and I have failed at that.

I overcome this by putting out fires. Not that I am proud of it; I do need to change that bad habit. For your benefit, I would recommend having a checklist of what you are teaching to whom and follow up on their execution. It will nail down the friendship, ownership, and loyalty all at once.

How to be a gift to society

The Bible and self-help books encourage “give to get.” Do the giving before the getting and you shall forever be grateful. To me, this seems a little forward to think that giving is the only way to get. In my mind, it is more like intending to give than attending to the giving, not as the means to getting but the meaning of getting.

Confused? Well, our role in society is to be a steward of our talents and actions. Giving to society seems distant and impractical. What it is in reality is your intentions and attention to day-to-day details. Do you respect your peers? Do you respect your relationships? Do you abide by the rules? Do you question those that don’t? Do you question the rules and find better answers to the questions? Are you a part of the problem or the solution? Is your glass half-empty or half-full at the end of each day?

Is being positive the hardest task on your checklist? It is on mine. The negative, cynical world affairs and happenings can bring you down to their level unless you focus on your friends, your accomplishments, and hopes. That is your gift to society, being a problem solver, a positive force for better, a voice for reason, not reaction.

How to be a leader versus a complaining follower

Lead me, follow me, or get the hell out of the way. Leaders are made, not born. Leaders are benevolent, not mean. Leaders are fearless, not cowardly. Leaders are sincere, not unscrupulous. Good leaders are rare, they are not around every corner. Aspiring leaders are everywhere, on the school ground, in the park, on the stage, around the next town, over the next bridge, everywhere in America, around the world.

The problem is there are followers following followers who claim to be leaders, going nowhere fast. It does make a difference as to where the pack is going. Gangs prove this equation. They are led by leaders going nowhere but down into the gutter. Political leaders who are self-enriched for the sake of fame and fortune are, and many are taking us all into the gutter. Business leaders who ignore the rules of law are stealing from society. Bureaucrats who make their own rules for the sake of power and controls are destroying private-sector jobs and equity.

So what are you aspiring to be? A leader for the right reasons and dedicated to those followers or one that takes advantage and has little respect for the team or the mission? We all saw the movie about “build it and they will come.” “Field of Dreams,” just do it with faith and everything turns out right, right? Wrong. It only turns out right if the right people do the right things at the right time. Timing is everything, I have been told time and again. So leaders must determine the time for the right effort then lead others toward that outcome. And then be willing to right mistakes, start over and over until the team succeeds in accomplishing the mission.

When to stand up and when to sit down

The saying “know when to hold ’em and know when to fold ’em” is classic when it comes to enterprise. Businesses start and fold every day; 45,000 start each month and 45,000 fold each month. Work makes the world go round and taking risk rewards the risk takers with more than money. For example, Senator Bird lived into his nineties as long as he worked for his passion. The day he stepped down is the day he no longer stood for the reason to live and died shortly thereafter. He was in public service but still withstood attacks on his decisions and was rewarded with respect.

All of us will be faced with this type of decision; the when is in our hands, the why is in our minds, the result will be ours to live on with. We should not shorten it for rest or the promised “Life of Reilly” because it does not exist, unless that is all we want in our pursuit of longevity. A life lived long is a life lived on the edge of tomorrow, not on the dread of today or the unhappiness with the past. Make today lived your way, not because of pay or how we pray, but what you have wanted to do all your life. Take the risk and you will be rewarded with longevity.

When it is time to begin and when to bow out

We begin our life’s journey with hope and ambition. As a child, everything seems possible and nothing scares us other than the threats created in our minds by our parents or peers. The more we hear, the more we fear, until nothing seems near and attainment seems too far until our ventures into school projects and sports open up an avenue for expressing our dreams. And unless they are stymied by the critics or realists who are cynical about making efforts that don’t feed the ego, we have a purpose.

Purpose, goals, and reasons to work are established early with the ethics learned from our parents. However, if the values learned are short on truth, honesty, and effort we must learn it the hard way or not at all. It is no one’s fault but ours if we just follow our habits, because that is just the way it is, because there are always choices. Do we stay in school, take that job, marry that person, have that next drink, take it before they take it from me, live on the edge of the law and outside the family or strive to make all things better and all days happy?

Beginning and staying on the right path is always a difficult choice if there are obstacles such as disability, injury, bad luck, poor health. Most of us have one or more of these during our life, some more than others. Just look around and feel fortunate to be happy, healthy, and prosperous. If you cannot, then you need to reassess your values and habits so the journey does not take you into a dead end. Bowing out of bad habits and attitudes for a better outcome requires that you begin again by determining mentally how you are responding and reacting to problems, obstacles, and taking small steps to better days. It is your journey and your time to be happy, healthy, and prosperous.

When it is too late to fool with Superman’s cape

Politics are not for the good fellows. Our system of government does not lend itself to discourse. Bigger is better. Small is broke. The middle is out of luck. Money talks and influence listens. However, America works its butt off for the American Dream of having money and influence. In many ways this is evolutionary, and minds change and times slowly form justice. But in the meantime, wasting energy on those things that one person cannot change will wear you down.

The difference between the politician and the business person is businesses take on problems rather than issues. Our Superman system is not looking for change in the same way that businesses change direction to solve problems. This is because there is no effective form of accountability or the drive for improving quality of life. Our senators, representatives, governors, councilmen, mayors find themselves in the spotlight, and no matter the decisions, it is not their money they are spending. It’s not their fault that the people don’t work hard enough or smart enough to pay taxes and keep quiet.

So to be working for a purpose is what the books recommend, while reality says don’t get involved. Most of us want to have a say but don’t speak up. All of us complain but don’t step up. Somewhere in the middle of all this is the secret to living with it and loving America in spite of its flaws. Our collective mental health depends on it.

Where do you fit in the bigger picture?

Down home in hometown America lies the heart of our country. We get the news from the media owned and operated by big business. Big government, big business, big pictures are dumbing down the rest of us. CNN commentators are all from out there, not down here. They are generally intellectuals and younger liberals wanting to interpret what is important to the masses. We see them as unreachable. Watching the Sunday pundits expound on what America thinks and does is an insult.

Responses of “well, look now,” “now listen,” “if you hear me right,” “if you think about it,” “if you only knew” are insulting our perspective of what is fact or fiction or just opinion. Fitting into this chain may never change, but accepting that we the people should be governed by the elite, the intellectuals, the smart people, is not the formula for a healthy country or the pursuit of happiness, the root to longevity. And just accepting it as untouchable is not a democracy anymore. It is out-of-touch insanity. In my self-health approach, it will be established that those that find a way to have their voices heard live longer than those that are talked down to.

Where do you fit in the smaller picture?

Fitting in is what we wanted in high school, not the rest of our life. Trying to be liked—respected, yes, but not loved is the problem. We all seem to want to be appreciated for what we do and yet it eludes most of us. However, America succeeds and fails on the small picture, not the big picture. Of the over 300 million people, if only 1 percent are happy, then the other 99 percent will make dramatic changes. Just look at Libya, Syria, and Egypt.

Encouragingly, recent polls cite that most Americans are happy with their current state and their future, so we are still in the game of living longer. However, if you believe in the inevitable rise and fall of societies, America’s decline in education, standard of living, employment, retirement finances, housing, and jobs is endangering our nation’s longevity. So whether we are in small-town America or the city, just accepting the decline as a recession or temporary economic downturn is avoiding the problem. We are the small picture that makes up the big picture.

Salvatore Dali’s greatest work, in my opinion, is his portrait of Abraham Lincoln made up of hundreds of small pictures of a nude woman. At a distance it was just the big picture of Lincoln, but the closer you got reality set in, with each small picture making up the bigger vision. My point is, being the small picture makes you an important part of the bigger picture if you put it in the right perspective. Your vote does count. Your voice can be heard. Your longevity depends on it because you create reality, reality does not create you.

Hierarchy of the Work Ethic

Birthright, born in America, immigrant, illegal alien, taxpayer, citizen, employee, employer, boss, investor, banker, accountant, lawyer, etc. We, as Americans, have the right to work and to fail and to try again. Those that choose to find easier means of survival will not reap the benefits of American enterprise. So taking the right to work is the first step in the hierarchy of the work ethic needed to succeed in enterprise.

Values, on the other hand, are the motivating factors for your work versus play. Do you want a high standard of living? Do you want an education? Do you want to be better than you are? Do you practice your trade? Are you trustworthy to yourself and others? Are you honest about your actions? Are you in love with yourself and others? All of these traits are learned and earned, while play only requires time and money, results of the work ethic. The choice is always yours.

Education is the seed planted in a fertile mind that grows an idea, a plan, an action, a business, a successful career, a happy family, and a meaningful work ethic. Dumb and Dumber found that the lack of intellect is humorous but not for going anywhere or accomplishing anything; it is just play at its best. Don’t get me wrong, play is necessary for living a fruitful life but not an ethical life. Chances are, the higher the education, the higher the standard of living and the higher the arc of achievement.

Each action and reaction gives us the right to work and then enters the reason and result of work. The reason, in my mind, is not about money, fame, or fortune but our self- satisfaction. Maslow’s hierarchy of needs lays out the pyramid, with survival as the base, ego, satisfaction, actualizing as the hierarchical building blocks of life. To be able to even build a meaningful life takes preparation, meeting 10,000 hours minimum, according to author Malcolm Gladwell, to attain the result of work’s excellence. Preparation meeting opportunity is the definition of being in the right place at the right time, or more conventionally, luck. There is no pride in winning Lotto but winning the race to capitalize on the work ethic is fulfilling and satisfying.

Can we have money, fame, and happiness? Ask those that have money and fame if they are happy. Most times they are not working for ethics but for pride, satisfaction, but not finding the hierarchy of making a difference in others’ lives. It is protecting what they have and seeking security instead of actual self-worth. The scale and hierarchy of work is not that security is eluding us, it is that we lose sight of the value of our work to others. In a sense, receiving benefits and security without much effort distorts our values and gives us a distorted view of what we feel is owed us, not a result of the work ethic but of a false sense of security.

In effect, all of this is evolving every day for every American in different proportions, without us knowing why. Evolution for better is seeking the right fortune for the right future unfolding in a society that recognizes work as an asset, not a burden. Our forefathers worked for a different reason than most of us do today. Theirs was for survival of the fittest and to be able to live past thirty years of age. Now we scale Maslow’s hierarchy, thinking we have the birthright to succeed without the right work ethic.

To make a difference in others’ lives in a positive manner takes thought processes different from those the me generation or the Y generation or the Z generation engendered. We as a society have gone back to Roman values where thrills, reality shows, the have and the have-nots, the control by the governing bodies are destroying the work ethic, with the new entitlements of minimum wage, workers’ comp, unemployment benefits, food stamps, welfare-guaranteed pensions, unlimited healthcare. We no longer can afford research and development of small businesses that do in fact create 90 percent of the jobs and teach the work ethic to their offspring.

The following are mental exercises to pursue a more productive and abundant life.

• During the day, repeat your top ten goals in sequence of want

• During the evening, read your list out loud to your spouse

• During the morning, thank your spiritual advisor for the top ten solutions

• During your work, mentally pursue your top ten goals of gold

• During your retirement plans, think through how you will continue to work and play the monopsony game with your ten goals.

• The Monopsony Game demonstrating the power of the Government in our lives is available through the American Enterprise Party web site.

(The next nine chapters propose a way to recover the work ethic that makes this country great today and tomorrow.)