Liability Exemptions–A Fiasco

May 27, 2025

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Introduction

Recent unprecedented accumulations of economic power wielded by a few corporate giants should alert us to a looming structural defect in the operation of our capitalist system.

This concrescence of influence, comparable to the effects of interlocking directorates, accounts for the recent, seemingly inexplicable uniformity in COVID-19 global policy. Financial inducements drove such extraordinary manipulation of public and private policy. The scale was made possible because of an unnatural, extra-market, artificial impetus to the rise of unchecked avaricious corporations able to capture putative medical authorities, such as the FDA, CDC, and WHO, that derive more funding from corporate rather than public sources.

Granted, a robust capitalist system requires a wide range of freedom of action. But it also requires common-law restraints. Unfortunately, the currently adopted corporate model that undergirds the global economy contains an oversight based on flawed jurisprudence.

Corporate money now controls policy. Corporations should be subject to special scrutiny for injurious or fraudulent activities, including collusion in government misdeeds. Impairment of such strictures has led to the growth of power that dangerously compounds over time.

Whether acting individually or collectively within a corporation, those who breach others' rights should face consequences.

Corporate personhood status, often cited as the root cause of corporate abuse of power, need not be reversed altogether. Instead, personhood in the proper context can be a practical simplification for organizations interacting in the economy.

The relevant issue arises in the chartering agreements for corporations that transcend the mere recognition of a collective form of ownership in a business, specifically in granting limited liability.

There is no need to deny individual rights to investors simply because they act jointly with others. However, corporate control over government policy can be even more detrimental when the latitude of such policy exceeds reasonable constitutional restraints.

Denying funding or support to those engaging in or threatening the fundamental rights of others, a common practice among politicians has merit. However, ideally, government programs that violate individual rights should be curtailed, thereby obviating concerns regarding private support for harmful policies.

Unfortunately, too little of this curtailment occurs, yet restricting all organized support of political activities is unwarranted. The 2010 Supreme Court decision in Citizens United vs. FEC recognized this in not restricting group involvement in political activity.

We will see that removing the limited liability privilege opens up a means of redress that answers some objections to this decision.

But more to the point, political movements or campaigns too often advocate causes that breach the peace beyond constitutional strictures. Hence, solving some evident adverse political outcomes requires changes in the general social consciousness beyond the reforms addressed here.

Beneath the capitalist paradigm resides a legal landscape that nurtures errant corporate entities that have grown incompatible with genuine bona fide Capitalism. These legalities transcend the mere license to act. They serve as a legal shield against long, established common law customs. Such a shield has overturned a balanced underpinning of civil society. Corporate malefactions, often dismissed as unavoidable, have for several generations escaped redress. Parties affected have been denied due-process recompense for damages incurred.

The ramifications are serious: such outcomes have emboldened top-heavy domestic and transnational financial firms to go beyond capturing legislative and regulatory agendas to exert global, felonious influence at the highest echelons of sovereignties worldwide.

Hence, this article challenges the convention of corporate limited liability. As owners, individual shareholders should be held responsible for their participation in corporate behavior; they should be civilly liable for harm caused by the manifest actions of any corporation in which they participate voluntarily.

Unfortunately, comprehension of this problem appears to be almost nonexistent. It poses a significant barrier to any such reform. On the other hand, effecting such a change requires only signatures on paper, necessitating no costly expenditure of resources.

Ultimately, simply bringing the problem to light at least reveals a source of growing animosity towards inordinate corporate power. It also undermines the critique of the capitalist paradigm by suggesting a feasible, more responsible, bona fide free-market capitalism.

Capitalism and the Corporation

Within these all-powerful, predatory, worldwide institutions, there is zero respect or concern for personal freedom or political liberty. There is no empathy for those they harm. [1]–Peter Breggin

Apprehension over the economic impact of trusts or large financial conglomerates is not new. For example, metrics traditionally employed in the study of Industrial Organization include *market share* and *concentration ratios* (e.g., the share of total shipments controlled by the four largest firms in an industry). Employing such tools, however, fails to reveal what more directly impacts society—the legal infrastructure specially crafted to protect the errant corporation. And that is the State granting shareholder liability exemptions, including corporate bankruptcy provisions.

Such protection ostensibly encourages capital formation. However, no net reduction of total funds results from a mere change in the disposition of investments nor a change in the culture of personal achievement through financial gain. Investors can reduce risk by using insurance, lending their money, or buying bonds, rather than blindly buying shares based solely on profitability while under the shield of liability protection.

The mercantilist economic model included exclusive rights to engage in commerce granted to favored companies. The 18th Century saw the British East India Company exercise chartered monopoly control. That company threatened a take-over of commercial activities around the port of Boston, thereby motivating the Boston Tea Party's ardent reaction against the company in 1773.

Now, in the 21st Century, corporate interlocks between Big Tech and Big Pharma have, in such an environment of special privilege, come to exhibit domination not only of the public health sector but also of social media, broadcast media, academia, medical journals, and licensing. [2]

More recently, we have witnessed an unprecedented capture of the Public Sector itself. The corporate-sponsored WHO inflated a limited, mildly symptomatic novel flu-like illness into a false pandemic. [3] It accounts for the concerted overreaction that began in 2020, which instituted unfounded emergency measures worldwide.

2021 saw lockdowns and vaccine mandates become a reality. Reminiscent of the military-industrial interests stranglehold wielded over policymakers that succeeded in decades of

profligate war-making, the medical-pharmaceutical corporate profiteers, albeit in league with elements of the Deep State, were able to harness the world into financing an unproven injectable medication to treat an unproven pandemic foisted on an uninformed public where providers have been legally exempted from any fair adjudication to compensate for harm inflicted.

Such a distortion of justice included financial subsidies as incentives (expensed to the affected population).

We are witnessing the culmination of the statutory separation of financial control from the public to the corporate elite, driven by unprincipled taxation and monetary infusions. Much of this responsibility stems from acquiescence to an illicit fiat (counterfeit) money scheme, which rests on the 20th-century co-optation of our socially evolved Dollar medium of exchange. [4]

The consequent global acceleration of the loss of fundamental liberties threatens to exceed that experienced under Nazism and Bolshevism between the World Wars. Moreover, a looming financial crisis now assures attempts to institute central bank digital currency personal accounts. Such implementation provides a means of absolute control over individual freedom.

On top of this is the ideological damage to capitalism. The palpable excessive corporate overreach into social and political spheres supplies ammunition to Nihilist and Marxist condemnation of Capitalism.

Since the early 19th Century, what has passed for a free-market capitalist system has been but an attenuated capitalism. Instead, genuine Capitalism holds sway wherein capital, as a means of production, is employed productively in a market system devoid of politically derived economic privilege.

Functional Capitalism need not require, nor does it benefit, from State-imposed interference with traditionally viable common law dispute resolution. The framers trusted in jurisprudence apart from the government-instituted officialdom. Amendment VII. U.S. Constitution illustrates this: "*In Suits at common law…the right of trial by jury shall be preserved..."* The jury was considered an extra-governmental check against the well-recognized tendency to abuse power.

In short, the climate under which corporations operate is distorted by a negation of time-tested powerful juridical precepts commensurate with civil life. Civil suits proffer an essential means of protection against organized maleficence. Additionally, the high degree of indemnification of private firms through recent special legislation has become too commonplace. Less visible than these favors has been the fallout from the long-practiced public offering of corporate stock as a source of finance, which, with limited liability, reduces incentives for prudent investor scrutiny.

Caution typically limits participation in a group activity that might include egregious behavior. So why should owners (shareholders) get a pass? State requirements regarding articles of incorporation and oversight by the Securities Exchange Commission regarding stock offerings indicate a recognition of the challenges implicit in the current corporate model.

A free-market capitalist framework precludes disruptive interference from political forces in markets or market activities. It allows for a standard to evaluate both the corporate form of

business and its market setting. The corporation, as constituted, is an artificial rather than natural business organization.

In particular, customary belief pictures the corporate form as a necessary and proper element of modern Capitalism. However, genuine capitalist-oriented societies need not adopt limited liability. Robert Nozick, in his mental experimentation exploring societal evolution from first principles, conceded that the corporate form would, absent statutory interventions, be delimiting,

*"...it may not **diminish** [his emphasis] their liability as compared to other persons....Those voluntarily dealing with a corporation....will do so by contracts explicitly limiting the corporation's liability.... A corporation's liability to those involuntarily intertwined with it will be unlimited, and it presumably will choose to cover this liability with insurance policies."* [5]

Corporate behavior manifests a propensity to gain market share. Research reveals that unscrupulous corporations block competitors by supporting rather than opposing new regulatory and anti-trust policies. Such an anti-competitive result was assiduously detailed by iconoclast Murray Rothbard in his posthumous work: *The Progressive Era.*

Throughout the 20th Century, business sectors performed sub-optimally due to unnecessary crony protection in the name of regulation. As a result, we now have a corporate-government symbiosis, also known as corporatism, as Mussolini termed It. The case we present here highlights that a license to avoid responsibility through liability limitations can exacerbate performance.

Unobjectionable aspects of the corporation

Some critiques of the corporation center on the legal status of personhood. Not all of the attributes of the corporate form of business conflict with our free-market template. Businesses employ contractual means of organizing collective action. They coordinate disparate ownership of wealth to a common business goal by marshaling shareholder capital. The right of individuals to freely associate and employ managers to such ends is merely an extrapolation of individual rights to undertake needed business activities privately.

Ludwig von Mises uses the term *methodological individualism* in describing how the meaning of "collective action" derives wholly from that of individual actions. [6] This applies to business firms, whether or not of the corporate form. When seen in this light, businesses can gain protection from legislated and judicial overreach. As with individuals, they should retain all the rights afforded to citizens.

Examples of breaches of these rights include disruptive regulatory reporting requirements, IRS intrusions even more onerous than those imposed on individuals, and violations of Fourth and Fifth Amendment protections.

They may have to compete against discriminatory subsidies to rivals. There are antitrust laws that defy simple logic, such as laws against restraint of trade that arbitrarily apply penalties for either raising, lowering, or maintaining a product price profile. There are insider-trading laws

that are a perfect example of confusing the necessary coordination of informed valuations with game-table cheating.

Recently, we have experienced Covid lockdowns and mandates that have disproportionately impacted small businesses, while often exempting larger companies (who have more influence with authorities). Such a climate of legal pitfalls contributes to opportunities for the most unscrupulous corporate interests to gain a competitive advantage.

Modern civilization has seamlessly accommodated scale disparities: Freight trains cannot be stopped at each intersection, as could donkey carts. Both are transport vehicles, but instituting common-sense exceptions gives trains the right of way.

Corporations have been granted legal personhood in various situations. Of course, personhood is fictional, but for practical reasons in law, it has some valid applications. Generally, litigating every matter involving a corporation by creating a separate case for each shareholder or employee would be impracticable. Personhood also allows for the unique attribute of continuity where the corporation can have an indefinite life, exceeding those of its owners. However, to be clear, such personhood cannot fairly absolve individual shareholders of culpability for actions occurring under their watch, even though they may be litigated later under new ownership.

The extent of liability for the small enterprises subject to incongruities in various government legal venues would be best addressed by courts, not rigid statutes. For instance, joint liability (sometimes for the cost of the entire award) assigned to corporations, although only marginally responsible or even merely connected by circumstance involved in unproductive or even negative outcomes, needs reexamination. [7]

Hence, a more nuanced approach to liability may be applicable to smaller enterprises. Close corporations and corporate general partnerships have been a needed source of innovative entrepreneurship. Moreover, owners are often officers who, while not personally liable for financial obligations, have exposure for malfeasance as a restraint even under incorporation.

Sometimes demonstrably unconstitutional legislation has overly assigned liability. Indemnities provided by increased use of insurance point to a solution. Ideally, reforms such as pre-arranged arbitration agreements, justice centered on tort rather than criminal law, and even private provision of judicial services have merit. [8]

Instead of focusing on corporate personhood, seeing firms or businesses as owned by identifiable individuals comports with methodological individualism. Reducing limited liability diminishes the losses to creditors or injured parties resulting from corporate bankruptcy or dissolution. The limitation afforded by bankruptcy to individuals has roots in the reform of earlier, stringent corrective measures, such as debtor's prison. An association of individuals, whether termed a corporation or not, need not be given the bankruptcy protection of a "person" when that is available to each shareholder individually.

However, what applies to the rights of individuals logically would carry over to a group of individuals when considering such rights as enshrined in the First Amendment. In this way, opposition to the 2010 *Citizens United* Supreme Court decision may have merit for limited liability organizations but be a moot issue in a world absent liability exemptions. Rather than

looking to limit corporate financial support of political or government policy, removing shareholder protections provides a more straightforward approach and avoids constitutional questions.

We can envision a form of liability protection for shareholders enshrined in contractual agreements between private entities through the use of arbitration clauses. But, under principles of methodological individualism, there would be no room for exemption from exposure to civil or even criminal culpability for the shareholder (owner) of a corporation that heretofore had been allowed to be dissolved or bankrupted.

In other words, a corporation would be a convenient means of reference to a grouping of individuals. Such individuals would have no grounds to defer responsibility for transgressions to a corporate "person"; no corporation would have standing of its own due to its being merely the convenient unity of association of fully individually responsible individuals. This applies to non-profit corporations as well. The collective actions of a lynch mob do not absolve the individual culpability of participants.

A practicable transition to a world of stockholder responsibility might limit liability to only, for example, a fixed multiple of a shareholder's investment. Such exposure would likely lead to the expansion of the insurance industry to provide indemnity for investors. Even more, ratings and appraisal services would expand with increased scrutiny of corporate activities and behavior.

Of course, many investors, instead of buying shares in corporations they knew little about, would forego anticipations of high-profit returns and instead buy bonds at more modest returns. Nonetheless, such a drastic reform of limited liability would not reduce total financial capital availability; instead, it would introduce more responsible investing.

Had our model of equitable corporate and shareholder legal responsibility prevailed since the beginning of the Industrial Revolution, ammunition for condemnation of the predominant form of Capitalism would have been lessened.

Recent corporate prescriptive privileges and corporate interfaces with political coadjutors and journalists have penetrated social media, economic, academic, and medical sectors. Global consolidation of policy forecloses on grass-roots means of remediation. State-level adjudication might have protected us from what threatens to become a society of organized crime syndicates.

Lack of complete corporate form in history

The U.S. Constitution notably excluded any avenue for the Federal chartering of corporations. The founders had good reason to be wary after experiencing the monopolistic hold on commerce by the Hudson's Bay Company and, especially, the British East India Company. As a result, chartering evolved only in the States. Ultimately, corporations gained limited liability standing as States competed for reciprocal economic benefits in granting them this privilege.

Initially, corporations had advantages over sole proprietorships and partnerships mainly in terms of permanence and continuity. Hence, the early legal status of corporations did not include

limited liability, but by the 20th Century, several States had already granted corporations that status.

The Nineteenth Century saw the use of the general partnership, the rise of the corporate model, and the eventual adoption of limited liability.

"Stockholders of the English joint-stock companies had finally come to assume 'double liability'–i.e., the stockholder was liable to the extent of his investment plus a like amount–and some states experimented with charters specifying either double liability or unlimited liability. After 1830, however, statutes were passed in the various states providing for limited liability, and by 1860 this principle was generally accepted." [9]

Were these State concessions necessary? The unprecedented growth rate of the economy in the Nineteenth Century occurred with businesses organized under the general partnership model (absent limited liability) until the latter part of the century. Ted Nace notes:

"*The volume of manufactured goods grew by an average of 59% per decade from 1809 to 1839, then by 153% in the 1840's and 60% in the 1850's*." [10]

and

… "*Limited liability… wasn't a widespread feature of the corporation until about 1875*…" [11]

Hence, the lack of the limited liability corporate model appears not to have stymied economic performance in the American experience.

Limited liability not needed

This impressive growth supports the thesis that shareholders in joint stock companies need not be granted the privilege of limited liability under tort law (see commentary by J.S. Miller).

In 1916 John Maurice Clark had his doubts:

"*Has the principle of limited liability been carried too far?…one of the worst features of the internal organization of corporations is its wonderful aptitude for dividing responsibility, concealing it from outside observers…to an economics of responsibility it is one of the very roots of evil."* [12]

Shareholders' propensity to focus on bottom-line results has led to a lack of involvement in corporate affairs.

Would not more responsible, but fewer, shareholders improve corporate behavior?

The market has mechanisms to indemnify participants from liability, such as insurance. Professionals in numerous businesses routinely procure malpractice or errors and omissions

insurance, a prudent expense for those participating in risk-related activities. In addition, the use of arbitration provisions are used to clarify and expedite litigation.

Bankruptcy protections for insolvency need reconsideration. The waiver of corporate shareholder risk (beyond their investment) granted through present law, including corporate bankruptcy, unnecessarily relieves corporations of an essential measure of responsibility.

For criminal, reckless, negligent, or tortious behavior, more than just the corporation's balance sheet should be at stake. Exempting shareholder exposure removes incentives for careful investment and avoidance of risky or potentially harmful undertakings.

Appropriate shareholder financial exposure to civil liability would increase investor insurance needs and should lessen gross under-compensation of injured parties. No longer would shareholders avoid full liability through corporate dissolution, bankruptcy, or the layering of corporate ownership.

Malfeasance (where the threat of treble damages arises) could extend possible financial liability beyond corporate assets and shareholder equity to the shareholder's other assets, especially if loss of life were at issue. Even if only to a set percentage pro-rata to shareholdings, such reduced liability protection would have an impact. Investors would be more cautious in funding enterprises engaged in activities that risk moral turpitude.

For instance, a medical procedure or medication may result in damages of $10 million or more per wrongful death in the U.S. A hypothetical case of 25,000 fatalities and many more injuries from a vaccine could easily exceed several hundred billion dollars and perhaps three times that for deliberate malfeasance (treble damages) or punitive damages far exceeding this. Currently, a balanced evaluation of the data from the VAERS (Vaccine Adverse Event Reporting System) indicates a significantly higher number of adverse events associated with the mRNA vaccines. Such exposure would promise significant changes in corporate behavior.

Corporate power overreach

"...the existing corporate system has carried us well onto the threshold of a gentle totalitarianism." William Appleman Williams

Employees or management (unless as deliberate participants in fraud or wrongdoing) are not the ultimate responsible party. Owners are.

What is the difference between individuals conspiring to violate others' rights and owners of an enterprise complicit in wrongdoing?

Consider contractors and non-governmental organizations (NGOs) engaged in operations that violate domestic or international law and human rights, now shielded by directives from the Department of Defense or other agencies. Culpability in a conspiracy is individual. Under the law of agency (the doctrine *respondeat superior*-"let the master answer"), vicarious liability rests with the employer. Shareholders are the employers. Should not each shareholder face personal culpability that might exceed the loss of such shareholder's investment, at least financially?

The Founders included a Commerce Clause in the Constitution: *"The Congress shall have Power…To regulate Commerce with foreign Nations and among the several States...To establish uniform laws on the subject of Bankruptcies throughout the United States;*"– Art.1 Sec.8.

Congress could legislate on corporate bankruptcy protections. Why should there be corporate personhood in bankruptcy that insulates the stockholders who, under simple methodological individualism logic, jointly caused damages to other parties?

Hesitancy in corporate participation in questionable undertakings by governments, such as contract provision of personnel and equipment for dubious military ventures, might be expected if corporations were liable for complicity.

A lax environment of investor caution contributes to the growth of corporate influence, driven by scale alone. Moreover, the corporate sector has pressed for privileges and unwarranted legal advantages. These have included the acquisition of various property rights through excessive patent law protections; property titles, including the acquisition of broadcast spectrum rights; subsidies; local property tax forgiveness incentives; natural resource and mining claims; and even exploitation of valuable property site ownership perpetuated through duplicated accelerated tax depreciation allowances on buildings that far exceed long-term costs.

The latter allows for the avoidance of otherwise normal tax liabilities on site-value, all under publicly expensed law enforcement and infrastructure provisions. Public or community revenue derived exclusively from site-value and natural resources, while eliminating taxes on income, buildings, and improvements would shift these costs mainly to corporate urban real estate holdings. This would improve urban infilling, remove disincentives to assign best use, and enhance physical structure and upgrades.

International treaties, such as NAFTA, MAI (Multilateral Agreements on Investment), and the World Bank and IMF, often favor recovery for damages and legitimate claims by sovereign nations over those of offending multinational and transnational corporations.

Other policies inadvertently favor more prominent firms. Critics of corporate power highlight tax policies that contribute to increases in scale. R.H. Coase apprised us that, unavoidably, firms often become more vertically integrated due to tax policies:

"*Another factor that should be noted is that exchange transactions on a market and the same transactions organized within a firm are often treated differently by Governments or other bodies with regulatory powers…to the extent that firms already exist, such a measure as a sales tax would merely tend to make them larger than they would otherwise be*." [13]

All too often, government courts interpret limits set by law as sanctioning pollution or other environmentally negligent activities that stay within regulatory bounds. In other words, more stringent limits result from tort action without statutes or rules setting boundaries of action. This is particularly true in environmental protection legislation, which has been a primary reason for inadequate corporate water and air pollution abatement.

Additionally, under the influence of growing industrial interests over the last two centuries, tort law remedies have been replaced, preventing victims from suing polluters for damages. No longer could an individual sue for individual damages if the damage was not different or significantly more than that suffered by others in society. A "Public" nuisance (affecting the general public) could only be enjoined through public authority. [14]

One attribute of progress that is often overlooked is the principle of spontaneous self-organization. Under orderly market environments, economic institutions arise spontaneously. Such emergent order occurs when planning is decentralized yet results in coordinated economies.

By the same token, under lack of customary respect for free choices in markets, retrogressive or anti-social attributes of tyranny emerge spontaneously and inexorably, with no master plan needed. Hence, the *Iron Law of Oligarch*y. When we add to this the fact of regulatory capture by private factions and perverse incentives made possible through legislation, the resulting constant tendency toward unsavory politicized outcomes should be no surprise. Of this, the founders were clearly aware in erecting checks and balances to power.

A bona fide free market would not grant immunities to corporations. In this respect, the evolution of concerted government policy contravenes sound jurisprudence. It interrupts common-law remedies requisite to functioning market economies.

Especially onerous is the practice of exempting specific industries from liability altogether through legislation such as the *Price-Anderson Act* for the nuclear power industry; the various vaccine damage acts, including PREP (*Public Readiness and Emergency Preparedness Act,* 2005) that exempt medical industry and medical profession participants; and the various bailout and bankruptcy protections for banks and financial institutions.

Even more economically insidious are the legislated quasi-government entities, such as the Federal Reserve System (FED), which holds monopoly privileges granted by legal tender laws. Where was the Constitutional authority to charter the FED? The acceleration of wealth disparity between the 1% and the 99% can be easily attributed to the influence of financially dominant corporations, which are virtually in league with the Fed, controlling the Fed's flow of funds through quantitative easing. See here.

Of immediate urgency is the evident malversation, most notable in the FDA's, CDC's, and WHO's deceptive handling of the Covid pandemic" in collaboration with Big Pharma (especially Pfizer, Moderna, and Johnson & Johnson). Corporate arrogance regarding deliberate media disinformation, widespread shadow banning, and corporate social media censorship were associated with the recent contrived global pandemic. Instead of shareholder inhibition, we witnessed a culture of shareholder proprietorship in ill-gained profiteering.

"*COVID-19 is not the problem; it is a problem, one largely solvable with early treatments that are safe, effective, and inexpensive…The problem is endemic corruption in the medical-industrial complex, currently supported at every turn by mass-media companies. This cartel's coup d'etat has already siphoned billions from taxpayers, already vacuumed up trillions from the global middle class, and created the excuse for massive propaganda, censorship, and control worldwide. Along with its captured regulators, this cartel has ushered in the global war on freedom and democracy.*" [15] Robert F. Kennedy Jr.

Conclusion

Our economic system has succumbed to the corruption of an irresponsible financial and political plutocracy. This outcome calls for less, not greater, governmental engagement in funding, protections, and bailouts in the private sector.

Emergent Corporatism presents a paradox for Capitalism. However, it need not define mature Capitalism. Corporatism constitutes an aberration of bona fide free market capitalism, an unnecessary distortion of the Founders' conception of a just society. They eschewed chartering corporations in favor of fundamental principles of common law and free markets.

Unnecessary privileges bestowed on corporations have produced an aberrant capitalism inimical to a prospering free economy. Now, under limited liability, Big Tech and Big Media, in concert with Big Pharma, Wall Street, and the Security State, have breached historical limits of power. They are eroding Western individual civil protections in the guise of safety measures against unsubstantiated and manufactured menaces (see). Aggregated control by just a few investment funds and transnational corporations is so pervasive that laws restricting electioneering communications, such as those in reaction to the 2010 Citizens United decision, would have little impact even if reinstated. Workarounds through media and other avenues, already evident in Big Pharma's influence over global political agendas, appear unpreventable.

These considerations, whether or not they engender actual reform, nevertheless contribute to an understanding that current failures now attributed to Capitalism can only apply to *attenuated* Capitalism, not *genuine* Capitalism free from legislated corporate liability exemptions.

The specter of the dominant role of the corporate limited liability privilege in distorting common law protections against disastrous social and political outcomes must be addressed. Shareholder culpability for corporate misconduct is the answer. Absent this, genuine Capitalism risks a false portrayal as a failed system, and Western civilization risks irreversible policies that will negate fundamental freedoms.

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[1] Breggin, Peter R. and Ginger Ross Breggin. 2021, *Covid-19 and the Global Predators*, Ithaca N.Y., Lake Edge Press. p.335-6.

[2] For example, Blackrock, Vanguard, and State Street. BlackRock Corporation became the world's largest asset manager, with $9.5 trillion in assets under management by October 2021. Vanguard, with about $7 trillion in global assets under management, by January 13, 2021, had become the largest provider of mutual funds and the second-largest provider of exchange-traded funds in the world after BlackRock's iShares. State Street had custody of, or administers, over $40 trillion in investments.

[3] Pandemic:" *occurring over a wide geographic area and affecting an exceptionally high proportion of the population*"...Websters Seventh New Collegiate Dictionary

[4] See Rothbard, *What Has Government Done To Our Money*. Online at Mises.org

[5] Nozick, Robert. *Anarchy, State, and Utopia*, New York, Basic Books, Inc., pp.133-4

[6] Mises, Ludwig Von. Revised 1963. *Human Action*, Chicago, Yale University Press. pp. 41-43

6(See *The Tyranny of Good Intentions* by Paul Craig Roberts and Lawrence M. Stratton). Needed limitations on such policies need not be a justification for retaining imprudent limited liability statutes.

[8] See here, and Rothbard, Murray N. 1973. *For a New Liberty*, New York, Macmillan Co., pp. 228-274

[9] Robertson, Ross M. 1964. *History of the American Economy*, New York, Harcourt, Brace and World, Inc., p.245

[10] Nace, Ted. 2005. *Gangs of America*, San Francisco, BK Publishers, Inc., pp.54-5

[11] Ibid. p.52

[12] John Maurice Clark, 1936, *Preface to Social Economics,* New York, Farrar & Rinehart. pp. 89-90

12 Coase, R.H. "The Nature of the Firm", *Economica*, Nov. 1937, (p.492).

[14] Amador, Jorge (1987). Take Back the Environment, *The Freeman*, Foundation for Economic Education, (pp.19, 22), Fee.org.

[15] Kennedy, Robert F. Jr. 2021. *The Real Anthony Fauci,* New York, Skyhorse Publishing, Inc., p.446