



The sound of one shoe clapping



Al Jazeera's [Will governmental folly allow for a cyber crisis?](#) makes the following point:

When the financial crisis of 2008 hit, many shocked critics asked why markets, regulators and financial experts failed to see it coming. Today, one might ask the same question about the global economy's vulnerability to cyber-attack. Indeed, the parallels between financial crises and the threat of cyber meltdowns are striking.

Both are:

- complex, self-contained industries beyond the understanding of lawmakers or the electorate,
- enormously influential politically,
- offer salaries so far above those in the public sector that talent is continuously drained away from gov't and into industry.
- have their own ethics, value structures, development goals and world view.

Because of these things neither industry can be effectively regulated or supervised, and both have come to be "self-regulated." For the tech industry this means :

few leaders are willing to compromise growth in the tech sector or the internet in any significant way in the name of a threat that is so amorphous (as cyber security).

That is to say, few leaders are willing to take any precautionary steps to protect citizens, nations, the economy or the system as a whole if those steps are not immediately profitable to those in the industry.



This is the situation with pollution, nuclear power, and organized crime where no one in power claims to have "seen" the _____ crisis coming (Food, Pharma, Finance, Oil, Energy, Real Estate, etc.).

Global enterprises not responsible to anyone outside themselves, and not responsible on any time-frame except their own, cannot self-regulate because they lack feedback. And this creates instability in the system as a whole.

In a previous letter I mentioned that cyber warfare was one of these enterprises. It too pursues short term gains, is indifferent to long-term consequences, and is out of any sort of democratic control. War is the ultimate failure of self-regulation.

The problem is not just that these industries are irresponsible, it is that there is no concept or structure to contain the proliferation of these "entities." They arise where ever there is an opportunity to exploit.



**I refuse
to believe
corporations
are people
until Texas
executes one.**

This is an issue beyond that of capitalism and free markets because it involves the matching of scales, the balance of interests, and a shared goal of sustainability. Capitalism and free markets are supposed to be self-regulating but, like evolution, this does not mean that they will continue to support human life.

Global institutions -- corporations or groups of corporations -- are disconnected from living systems. Their lack of responsibility for their own impact causes the global system to lurch from crisis to crisis like a loose wheel. We need a feedback mechanism for global corporations and ruling powers that is better than war, famine, and environmental collapse.

For context you might read [The World's Worst Environmental Disasters Caused by Companies](#).

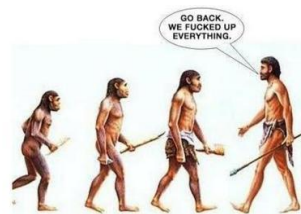
The first step is the dissolution of the legal protection of the corporation as an individual. This protection means, since they don't exist as people, that they are not responsible at all. Our mercantilist legal system was created to provide immunity of this sort, so changing it entails much more than changing the law. In [A Lesson for Our Times](#), Murray Rothbard, economist, historian, and political theorist at the Mises Institute, said that mercantilism:

was a system of statism which employed economic fallacy to build up a structure of imperial state power, as well as special subsidy and monopolistic privilege to individuals or groups favored by the state

POCLAD
Program on Corporations, Law & Democracy

These global systems without feedback have the power and the will to change the world's landscape to suit their own best interests, and they will.

They will only respond to the power structures that affect them. That is to say, they will only change in response to what appears as a crisis to those of us who live in constrained locations, need to eat food and breathe air, and rely on day to day social stability in order to survive. These are not needs of global institutions who feed off populations, breathe the domestic gross product, and exist in a virtual reality.



The ONLY organization I know of devoted to democratic corporate reform is [POCLAD](#), which stands for "Program on Corporations, Law and Democracy." They describe themselves as:

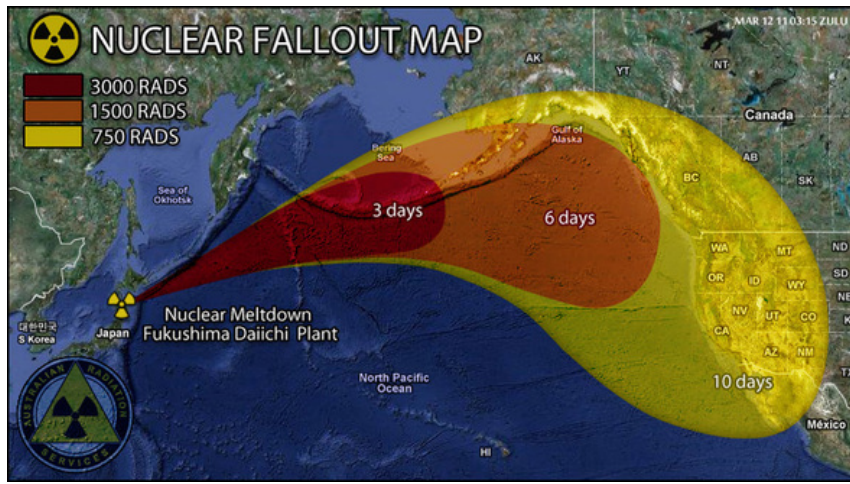
a group of 11 people instigating democratic conversations and actions that contest the authority of corporations to govern. Our analysis evolves through historical and legal research, writing, public speaking, and working with organizations to develop new strategies that assert people's rights over property interests.

They publish a quarterly newsletter [to which you can subscribe](#) called "By What Authority":

The title is English for quo warranto, a legal phrase that questions illegitimate exercise of privilege and power. We the people and our federal and state officials have long been giving giant business corporations illegitimate authority. Today, a minority directing giant corporations and backed by police, courts, and the military, define our culture, govern our nation, and plunder the earth. By What Authority reflects an unabashed assertion of the right of the sovereign people to govern themselves.

The Al Jazeera article concludes:

We are told not to worry about large-scale ... meltdowns, because none has occurred, and governments are being vigilant. Unfortunately, another lesson of the financial crisis is that most politicians are congenitally incapable of making difficult choices until risks actually materialize.



And speaking of Fukushima and "risks that actually materialize", have you heard of any new regulation affecting the nuclear power industry? So far the only "cost" of Fukushima to the nuclear power industry was the cost of paying construction workers to push the melted reactors into the sea, and so the status quo will continue until all of their customers are dead. Even a virus is more concerned with its environment.

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