

Thoughts on Coming Apart and the Coming Great Reset



**Turning and turning in the widening gyre
The falcon cannot hear the falconer**

Kit Webster

Be Careful What You Ask For

October 4, 2024

Themes and Theses - Why I'm Contemplating Out Loud

(Initially formulated in the early 90s, following decades of reading history, philosophy, psychology and a lot of contemplation, particularly on the subject of cycles. In the end, this is a relatively straightforward story about human nature and of history rhyming.)

The US will enter a period of crisis in the early 2000s. In the late 90s, I took up Strauss' and Howe's terminology of the Fourth Turning (without incorporating their generations paradigm) and agreed with Howe that the end stage of the crisis began with the Great Financial Crisis and would last into the early 2030s. We are not yet to the middle of the end stage of the crisis.

The crisis will be serious and could be existential.

Internal strife will increase, up to and including secession and civil war.

International conflicts will increase as the vacuum created by the weakening of the US is filled by other players.

There will be many threads to the crisis, but the primary thread will be debt, deficits and entitlements. Other factors include, eg, demographics, a loss of meaning and myth and a loss of self-discipline.

Politics will move leftward as citizens look for some refuge from the chaos.

The US will become increasingly susceptible to a (man) on a white horse, who can come from either the left or the right.

Inflation, as the most likely way to address debt since austerity is not politically acceptable, will significantly lower standards of living, exacerbating the civil crises.

Once the old rot is cleared out, and assuming continuity, there will be the basis for the establishment of a new order. (Added around 2020) The loss of faith by our youth in our founding principles means that the new order will at least partially be based on new principles. As yet, I have no visibility as to what those principles might be.

(Added in the early 00s) While humans are contributing to global warming, policies implemented to address manmade global warming will create a significant energy crisis, probably toward the end of the Fourth Turning.

(Added in 2023) The lowering / elimination of standards in education, the judiciary, law enforcement, the military and other segments of our society will

create a population unable to adequately comprehend, do or respond to the challenges of democracy and culture.

Quotes to Contemplate

Nothing this week

Primary Ideas in This Week's Post

You created Trump by demanding goodies (and wars) and not paying for them.

You created Harris by demanding DEI.

Our destiny is governed by a convergence of greed and do-gooder-ism.

I am still looking for an inflationary boom on the other side of this slowdown, however a recession will be very difficult while we are running \$2 trillion deficits.

It is unlikely that China invades Taiwan unless the US stirs the pot, which is a non-trivial possibility.

Kamala remains at the head of the polls, within the margin of error - betting markets are dead even.

Vance won the debate, and it does not matter.

Our immigration policies during the early Biden years will likely have significant unintended consequences.

Iran does not want to fight, but the US wants to cripple Iran. Stay tuned.

Markets

Updated Charts

> No change in outlook.

> The economy may be slowing down, but it is very difficult to have a recession running \$2 trillion deficits. If we do, it will be a very interesting recession.

> Be Careful What You Ask For

A foundational part of my thought process is to think in terms of decision trees - take an idea down several levels of, if yes then x or y; if no then w or z, following the w, x, y and z paths a couple of levels. It all gets too complicated very quickly, but the world is complex. If Harris wins, will she go back to the values she has not changed? Yes or no? On either thread, do the Democrats control both Houses of Congress? Yes or no? Since she will not have a filibuster-proof majority, will she try to kill the filibuster? These kinds of thoughts are actually endless, but they provide great insight into possible second- and third-order effects of decisions and actions.

But, I want to talk about another thought process that is actually included in my "laws" of human nature. It goes as follows:

Because humans have differing and often opposite opinions, there is a social and political version of scientist Isaac Newton's third law. His third law of motion is, "for every action there is an equal and opposite reaction." The social / political equivalent is, every political or social act will meet resistance; the larger, more forceful or more meaningful the act, the greater the magnitude of the resistance.

What brought this to mind was a completely obvious conclusion that I completely missed.

Jonah Goldberg mentioned that Trump made woke worse than it would have otherwise been.

We will have woke with us always because of the Normal Distribution of Human Nature (which is a conclusion of another of my laws).

But why did it get so shrill and so active and why is it now declared to have peaked? The answer to this is akin to the answer of why BLM and Antifa are much less active than they once were, and are important examples of my law that I quoted above.

Simply put, if there were no Trump and his presidency was filled by a "normal" politician, the emotional stakes and the resulting actions would not have been so severe.

The police mishandled the arrest of a thieving junkie. Not a good thing, but not particularly noteworthy, either. However, the emotional stakes were so high, partly because of the existence of Trump, that all hell broke loose.

So, the action of Trump-ness exacerbated the reaction of woke/BLM/Antifa. A strong personality called forth a strong reaction.

(I now begin a series of irresponsibly simplistic statements that illustrate yet another law, Humans Will Take All Trends To Their Extremes.)

Why did the universe bring Trump into existence in the first place?

As a manifestation of the severe discomfort of part of the population.

Why is that segment discomfited?

Because they lost their jobs.

Why did they lose their jobs?

Because they went to China.

Why did they go to China?

So China would fund our deficits.

Why do we have deficits?

Because we want goodies without paying for them and we like to fight wars.

This is not an infinite regression, but it seems like one. We can continue this thread for quite a few more levels, through such obscure concepts as fractional banking and the Triffin Dilemma.

People are acting and reacting.

This is a variation of the famous butterfly effect that provides a visual image of complex systems - a butterfly beating its wings in Argentina can create a hurricane over Florida.

A demand for Social Security and fiscal stimulus and war can lead to the rise of Trump and a BLM riot in Minneapolis.

Even the decline of an entire empire.

It provides a new meaning to, Be Careful What You Ask For.

Short Takes

> Kamala things

Still ahead in polls, but still within the margin of error. - betting markets are dead even. Two headlines on the same day - "Could We See A 270-368 Election? The Polls Are Tighter Than Ever" (*NYT*); "Kamala increases her lead" (*Guardian*)

Kamala at the border - "The United States is a sovereign nation and I believe we have a duty to set rules at our border and enforce them. And I take that responsibility very seriously." (Kit, um, the devil is in the details; the important thing is, which rules?)

Emhoff now accused of physically assaulting his then-girlfriend. Won't matter. Strange bedfellows - Liz Cheney now supports Harris. Here is Liz in 2020: "Kamala Harris is a radical liberal who would raise taxes, take away guns & health insurance, and explode the size and power of the federal gov't. She wants to recreate America in the image of what's happening on the streets of Portland & Seattle. We won't give her the chance."

> Trump things

Continued allegations about being confused when giving speeches. Not sure how you tell.

Melania passionately defends abortion rights in upcoming memoir.

Controversy over the (non) release of medical records.

Special Prosecutor releases additional accusations. Chris Cuomo, among others, called it "election interference."

> VP debate

Did not watch. Does not matter.

Guardian headline: The attack dog and the folk hero.

NYT summary: It was a substantive and mostly civil debate between two Midwestern men that laid bare the policy chasm between the two parties on immigration, abortion and foreign policy. But no issue made clearer the size and stakes of the country's current political divide than the final topic of the night, when Mr. Vance refused to concede that former President Donald J.

Trump had lost the 2020 election. (Kit - his actual statement was, "My own belief is that we should fight about those issues, debate those issues peacefully in the public square. And that's all I've said, and that's all that Donald Trump has said.")

Evidently there is a consensus that JD was slick and Walz was aw shucks, and began the debate stumbling and off kilter, while regaining his footing later. Walz responded to a discussion of one of his lies by saying, "I'm knuckleheaded at times," and that he "misspoke." Walz seems to have pinned JD down on abortion by discussing cases of women who had been denied abortion and died.

The Free Press found "last night's debate between Vance and Walz was surprisingly, almost disconcertingly, normal." They declared Vance the winner, which seemed to be the general consensus. (Kit) Oddly, while most commentators, including liberals, agreed that Vance "won," next-day polls agreed, but narrowly.

Evidently the moderators were biased as expected, but no more than expected, so not much was made of it. They made one prohibited fact check, JD took them on, they cut off his mic.

As is usual in these things, it is not so much what is said as the vibes that are important. As best I can tell, Vance was poised and reassured people he was not the lunatic he is often portrayed. (This brings up a point that everyone, except Trump, is moving around so much in policies and demeanor that, even though I read a lot, I don't know which Vance or Harris will show up after the election. Harris has made a total flip-flop, although her "values have not changed," Walz made one in Minnesota before becoming governor, and the early Vance has become an attack dog to provide raw meat to the base. Such is a life when you are immersed in kabuki.) Walz came across as the sometimes-bumbling everyman, who needs some body language / facial expression lessons.

One wag overstated, but made a point: "Vance has more IQ points than the other three candidates, combined." If only IQ points were the criterion. I wrote an article once, recognizing that I highly value IQ points (actually, the ability to think, which is a related, but different thing), a politician can have too many IQ points. George Washington, Lincoln and FDR were capable, but not geniuses. What we need is more of what they had.

The debate doesn't matter - of course, unless it does. It doesn't matter for the election, but it may matter in the event the president dies or is disabled. But we are not electing a VP. (Interesting factoid: in the early days of the Republic, the VP was the candidate receiving the second largest Electoral College vote total, and therefore could be from the opposite political party as the president. We have had one presidential election resulting in a tie, and one election where two candidates for second place were in a tie. The Twelfth Amendment changed the procedures.)

> Immigration things -

(Kit - we have collectively lost our minds. This does not count the unknown number of terrorists. The cliché is that immigrants commit fewer crimes than citizens; the question is, why do this to yourself? What I still have not gotten a handle on is why Biden thought this was a good idea. There is stupidity and then there is gross negligence.)

Hundreds of thousands of illegal migrants with criminal convictions have been released into the US by immigration authorities, according to new figures.

They include some 13,099 people convicted of homicide, 14,301 of burglary, and 15,811 of sexual assault, who were detained as they crossed into the US before being set free while their cases are pending.

A further 62,631 had convictions of assault, 10,031 for robbery, and 56,553 for an unspecified dangerous drugs offence, according to data up to July 21 2024.

In all, 425,431 migrants with criminal convictions have been released, among whom the most common crime was traffic offences of which 77,074 had been convicted.

US Immigration and Customs Enforcement (ICE) made the admission in response to a request for information from Tony Gonzales, a Republican member of the House of Representatives' homeland security committee.

The French Ministry of the Interior has released statistics indicating that despite migrants making up less than 8% of France's population: - They account for 35% of individuals involved in violent robberies. - They make up 33% of those engaged in non-violent robberies. - They are responsible for 41% of the burglary cases. - They represent 34% of the perpetrators in vehicle thefts.

> We are creeping ever closer to war with Iran - a war that Iran evidently does not want. One day I many write about this, but I'm with those who think that the US is intentionally poking both bears, Iran and Russia, by proxy. It is a weird war where Iran preannounces missile strikes. They are playing nice for a reason that escapes me other than they need to look good to their constituents while signaling to the US and Israel that they really don't want to do this. Israeli officials on Oct. 2 announced plans for major retaliation, potentially against Iranian oil production and nuclear facilities. U.S. national security adviser Jake Sullivan similarly warned Tehran of "severe consequences," as Washington said it would support Israel's response. A great deal hinges on Israel's response. The *WSJ* ran an article basically saying that Israel was out of control. That's garbage and a distancing of the US from Israel's response. EVERYBODY knows that Israel's wars are funded by the US. Netanyahu is a stubborn person, but he is not stupid. He will push the US as far as he can, but no farther. Khamenei stoked the fires in a recent sermon, calling the October 7 attack by Hamas "legitimate." Ian Bremmer wrote a good piece on this that is included at the bottom of this post.

> John Kerry in an address to the UN saying the quiet part out loud: at the World Economic Forum. "Our First Amendment stands as a major block to the ability to be able to hammer [disinformation] out of existence. What we need is to win...the right to govern by hopefully winning enough votes that you're free to be able to implement change." I'm not going to take the time, but documenting misinformation originating with Kerry would be like shooting fish in a barrel.

> "Oilfield Rando" on X: I love this whole longshoremen thing because there's zero good guys. None. Everybody sucks. The union, the shipping corps, the government, everyone involved is a shitbag. It's like Game of Thrones right after the Red Wedding.

> Interesting point - why is there no canceling of Diddy as there has been for previous transgressors?

The time has come for an "October surprise," if there is going to be one.

> Louis Vincent Gave was on Adam Taggart's [Thoughtful Money podcast](#). Gave is always worth a listen, but one of his thoughts was on China's invasion of Taiwan. His views and mine overlap. The way he puts it, there is an unwritten agreement that if Taiwan does not declare independence, China will not invade. He points out the physical difficulties of invading Taiwan to the point that the US decided not to during World War II to provide a platform for the invasion of Japan, and turned to Okinawa, instead. He also points to Taiwanese missiles that can hit major Chinese cities. I would add that, all things being equal, an economic and cultural absorption of Taiwan by China is all but inevitable without a shot being fired. My concern, hinted by Gave, is that the US may stir the pot.

(He and I are also in agreement that eventually, we get an inflationary boom. He hedges his statement that if energy prices increase significantly, an inflationary boom will be difficult.)

> Gavin Newsome signed a bill banning legacy admissions to universities in California.

He also signed one preventing localities from requiring voter ID.

> California just opened a program funded by the California Dept of Social Services. The program offers guaranteed payments of \$725 to select families. Aside from income, the other qualification is that you can't be White. This program is only for nonwhites.

In related news, a Minneapolis food pantry refused service to whites.

Halleluiah, I'm saved!

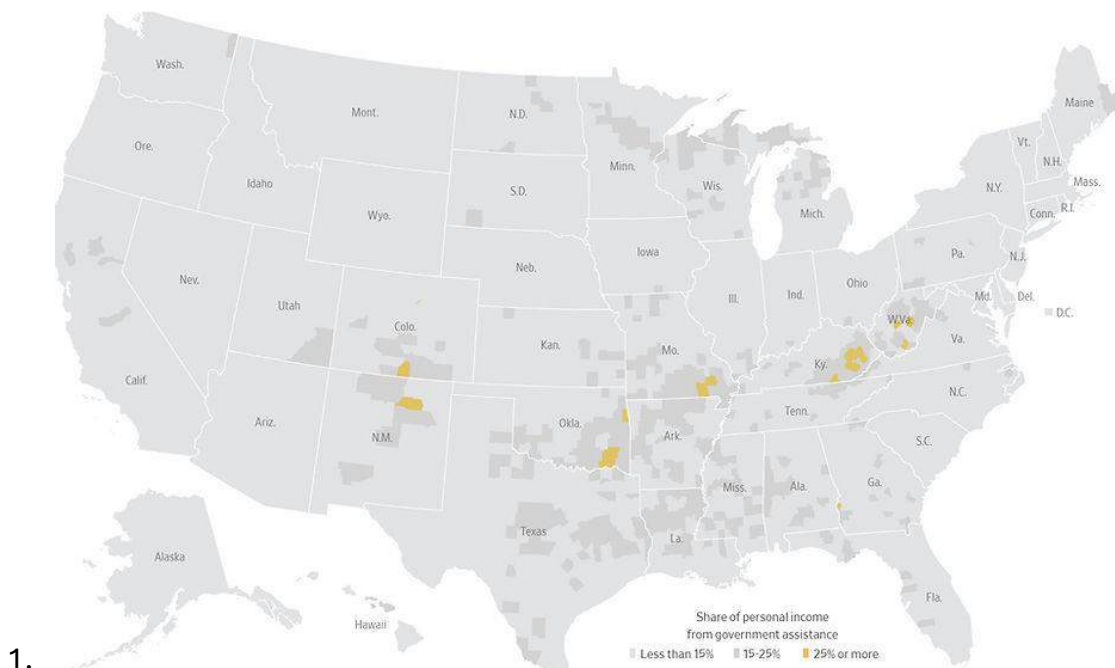


THE SWEET SPOT

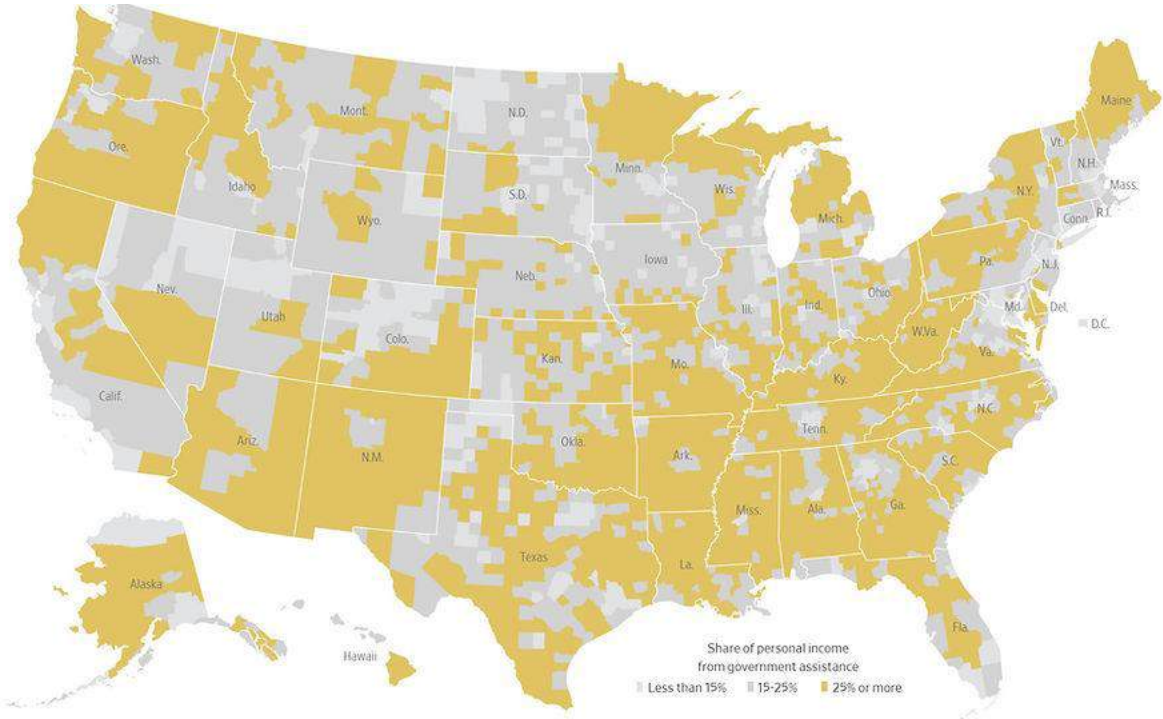
How Can I Cure My White Guilt?

The thing about privilege is that it can be used for good.

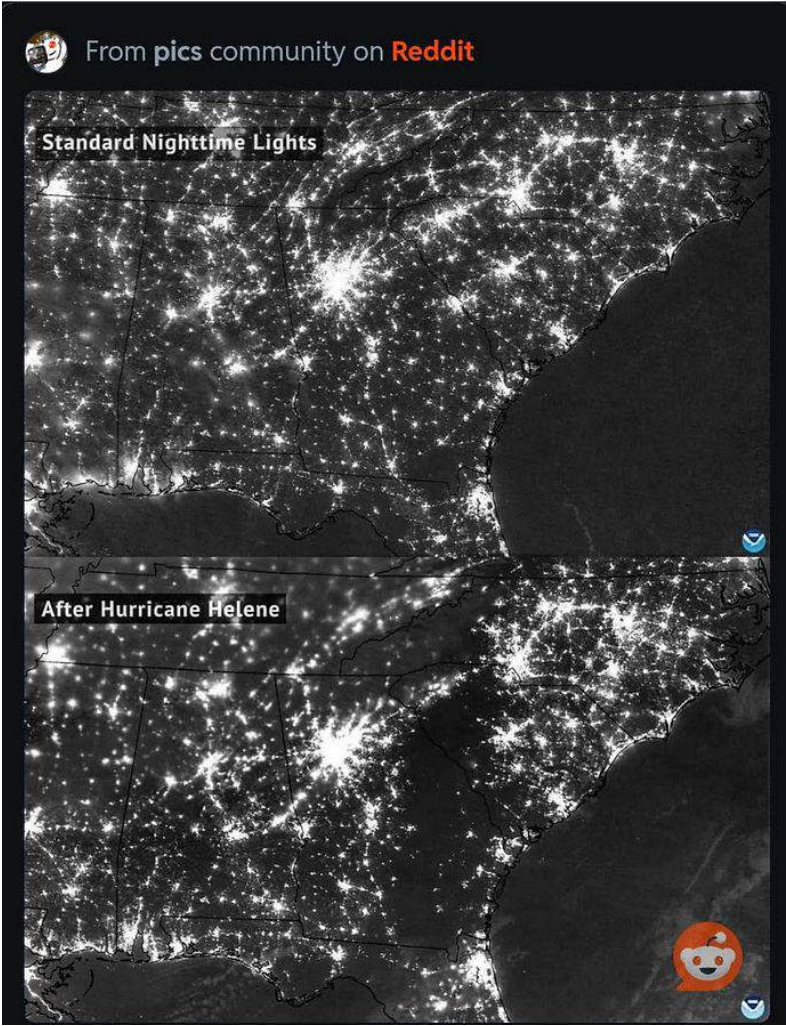
> One could contemplate the implications of this for hours - from the *WSJ*
In 1970, population depended on government income in fewer than 1% of counties



In 2022, it was 53% of counties.



Before and after the hurricane



It Ain't Easy Being Green

> A little harsh and ideologically slanted, but holds a truth about fragility that most do not appreciate



1.

Miscellany

> If you want to contemplate how life has changed in two pictures - *Father Knows Best* premiered 70 years ago this week; *Ozzie and Harriet* premiered 72 years ago this week.

(In what I think is a perfect metaphor for our times, Ricky Nelson died while freebasing cocaine.)

