

# Tough Questions - In a libertarian world, wouldn't cronyism rule the day?

## We're already living in a crony world

Cronyism: the appointment of friends and associates to positions of authority, without proper regard to their qualifications.

Bribery: to persuade (someone) to act in one's favor, typically illegally or dishonestly, by a gift of money or other inducement.

(Open Secrets) Amount of cash incentives provided by the following lobbyists:

<u>US Chamber of Commerce</u>	\$1,480,450,680
<u>National Assn of Realtors</u>	\$524,417,865
<u>American Medical Assn</u>	\$388,319,500
<u>American Hospital Assn</u>	\$365,686,737
<u>Pharmaceutical Research &amp; Manufacturers of America</u>	\$358,206,550
<u>General Electric</u>	\$357,932,000
<u>Blue Cross/Blue Shield</u>	\$341,120,396
<u>AARP</u>	\$280,481,064
<u>Business Roundtable</u>	\$278,390,000
<u>Boeing Co</u>	\$270,953,310
<u>Northrop Grumman</u>	\$269,395,213
<u>Lockheed Martin</u>	\$251,966,229
<u>Exxon Mobil</u>	\$251,652,742
<u>AT&amp;T Inc</u>	\$247,591,644

<u>Verizon Communications</u>	\$242,194,043
<u>National Assn of Broadcasters</u>	\$225,958,000
<u>Edison Electric Institute</u>	\$222,882,923
<u>Southern Co</u>	\$219,950,694
<u>Altria Group</u>	\$194,605,200
<u>Comcast Corp</u>	\$193,674,323

Things to look at on this list: Our own government is the #1 source of bribery in the USA. Look at how many are in lines of work that issue licenses or need regulations to keep the free market out (Realtors, Exxon Mobil, Cable Providers, Altria (Tobacco), and Broadcasters). Think about why those 3 defense contractors are all at an equal amount in bribes. Even the lowest of these could bribe 1,000 members of government, more than every elected federal official, \$193,000. The Department of Commerce could bribe the same for \$1.5 million apiece.

In specifics, especially considering the medical bribes, think about how much money could be saved if these institutions didn't have to bribe anyone. The Edison Electric Corporation represents every single electrical provider; this is a payment to keep out competition.

This does not include the sub-prime mortgages, and any this-for-that activity. As explained by WAL's own provider of information, Rob Quartel, money actually represents just a fraction of the bribery. Think about crony appointees, dinners, etc, and other "costs."

### **How do libertarians make it better?**

Ending the Fed is not just an empty slogan. Controlling money is the lifeblood for politicians. The libertarian alternative to the Central Bank is referred to as the Free Banking System.

(Lawrence H. White)

<https://www.youtube.com/watch?v=IVK-kgSQMPs>

Weren't the founders big fans of Centralized banking? Kinda... But after it sucked, they got rid of it (Forbes) "The last major experiment in Treasury control of currency was the Continental Dollar of 1776-1785. It was such a disaster that the Founding Fathers decided to move to a distributed, free-banking model for the new United States."

America also used a limited free banking system during the industrial revolution. The only limit

was that banks were forced to accept each other's currencies at face value. This created some obvious problems, but it still enabled our economy to flourish as bad banks could be shut down (instead of closing down, as they would in a competitive market).

So how does this limit businesses? Businesses, then, MUST produce GDP in order to receive money. The competitive advantages that come with "cornering out" the little guy disappear. Take the shoe example. Businesses must negotiate shares of the profit for their employees. Unions go back to being the good guys. Mark ups are impossible as the public determines the value of your goods and services.

## Sources:

Open Secrets:

<https://www.opensecrets.org/lobby/top.php?indexType=s>

Lawrence H. White:

<https://www.libertarianism.org/media/around-web/what-is-free-banking-why-should-i-care>

Forbes:

<https://www.forbes.com/sites/nathanlewis/2013/03/28/assuming-we-end-the-fed-whats-the-next-step/#5b3e6e22465a>