

# DEEP DIVE / ALL YOU NEED TO KNOW

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## SUMMARY

The American Prosperity Program (APP) is a comprehensive project to restore the middle and lower classes to their rightful place in the American firmament while simultaneously setting the country on a sustainable and prosperous path.

In simpler terms - our intent is to *double your income* in Phase One of the APP. That needs to happen first before anything else can be contemplated. This may seem fantastical to you but it's not. We can make this happen beyond *any* scintilla of a doubt. And we will prove it in this document.

The period beginning in 1980 has been a perilous and debilitating one for the lesser classes. Very much intentional by those at the top. From 1980 to 2025, America endured the *largest financial theft in world history*: the richest 1% transferred *\$50 trillion* directly from the pockets of the middle and lower classes into their own. We call it the Big Rip.

They stole half your income. Literally. Salaries are now almost exactly half of what they should be. In the United States the average salary today is \$41,000 per year (\$19.71 per hour). Without the scam these same people would categorically be making \$85,000 per year. Your wife, husband, partner and friends also would be paid accordingly. Every one of them. Literally.

***If you and your partner make the average wage of \$41,000 each today, together you should be pulling in \$170,000 a year*** - minimum. Think that would work? This isn't fantasy. This is economic fact. Hardcore data. And it explains *everything*—why you're stuck, why you're angry, why you can't get ahead no matter how hard you try.

The scam continues to this day. Since 1980, those on the right have based EVERYTHING they do economically on solving one simple problem as they see it - *that rich people don't have enough and poor people have too much*. The obvious solution? Transfer resources directly from the poor to the rich.

The existing Congress adheres strictly to solving this problem. Their current bill is the most egregious, cruel and irresponsible piece of legislation in my lifetime. Perhaps the worst in this country's history.

It will result in upwards of \$4 trillion in added deficits. It cuts taxes, mostly for the rich, by \$4.8 trillion. Cuts to the poorest of the poor's health insurance and food supplements amount to \$1.5 trillion.

The grift? The cost of tax cuts for those making more than \$750,000 amount to \$1.1 trillion. Cuts to Medicaid and food stamps - \$1.1 trillion. A DIRECT TRANSFER from poor to the rich.

Medicaid and Obamacare cuts alone will cost possibly 16 million people their health coverage. People receiving SNAP (food stamps) will be cut by upwards of 7 million. That's the poorest of the poor. This is the largest transfer of wealth from poor to rich in a single congressional bill in U.S. history.

This is not capitalism. This is not a free market. This is a kleptocracy (*"a society whose leaders make themselves rich and powerful by stealing from the rest of the people"*) run by an oligarchy (*"a government in which a small group exercises control especially for corrupt and selfish purposes"*).

Resulting inevitability in a **kakistocracy** (*"a state or society governed by its least suitable or competent citizens, **government by the worst people.**"*) All, of course, in preparation for an autocracy - for half the country, a fifty year old fantasy.

"If there are men in this country big enough to own the government of the United States, they are going to own it; what we have to determine now is whether we are big enough, whether we are men enough, whether we are free enough, to take possession again of the government which is our own."

President Woodrow Wilson, 1918

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## AMERICAN PROSPERITY PROGRAM - SOME THINGS TO KNOW

1) If you're interested in politics, you've come to the wrong place. When it comes to the culture wars, it has NOTHING to do with us. Not one molecule of it. When it comes to your prosperity, we are APOLITICAL.

We simply don't have the time for that, nor the interest. There are NO solutions on that level and absolutely no tangible benefit to you. Those are the things the rich want you to focus on. So, if that's what you're looking for, we can't help you.

This is a time for serious people to do serious things before it's too late. And if you're one of those serious people, we have some REAL work to do. Remember? A 108% increase in your income and net worth.

Everything else is a distraction. EVERYTHING.

Every day you spend obsessing about the latest cultural/political outrage is another day they have their hand in your pocket. If you're not one of those serious people, you're the perfect mark for their scam. Trust us.

2) In this country, we believe that not one single politician on either side of the aisle has a comprehensive, definitive view of *what* truly ails America. Not a single one. Even fewer understand the genuine, *root causes* of what ails America. That's considerably less than zero.

The only truly viable solutions are so far beyond their grasp that the chances of even one politician actually understanding are one in a decillion – a million trillion billion. It's as if we need to put out a raging blaze and they show up with a thimble of well water.

Trust us, we're rocking a fleet of fire trucks pumping tons of fire suppression foam. When it comes to politicians, it's clearly not their job. All politicians spend 99.8% of their time focused on their own reelection. Not on what's best for America and how to improve her.

Even if they were interested in devising solutions, which they clearly are not, not a single one of them has a solitary clue as to how to go about it. Useless.

3) We are not talking about socialism. We're not talking about communism. We are not talking about populism. We are adamantly PRO-BUSINESS and insanely PRO-CORPORATE PROFITS. We are RAGING CAPITALISTS. More so than most anyone in the country.

For example, it's obvious that the more corporations have in profits, the more they can afford to pay you. Our solutions are neither right nor left, and they are consistently popular with the general public.

4) In case you were wondering, even though we are staunchly pro-business and worship at the altar of profits, we ourselves are a non-profit. Our American Prosperity Program is a completely free public service.

Our reward is the smile on your face when you realize your family no longer has to live paycheck to paycheck. It's time to wake up. There's no going back. We can't undo what was done to you. but with your help we CAN put a stop to it. We can get you back on the road to prosperity. Back on the road to the American Dream.

*We got the goods.* Dramatic, comprehensive solutions rarely if ever contemplated before. You see - *if you remove politics the solutions are as obvious as the genealogy of the Gulf of Mexico.*

5) We have devised a regime with 54 micro-solutions. All at street level. Complete specificity. In its *totality*, nothing like it has ever been proposed in this nation's history. All 54 are listed in the "Solutions" tabs elsewhere on this website. We are entirely transparent.

6) In conjunction with the specificity of our solutions, we welcome you to a world of truth, facts, science, and reality. For example: ***It is a FACT that tax cuts for the wealthy do NOTHING to increase economic activity. They are simply a complete grift. A direct transfer of wealth from poor to rich.***

This reality we speak of is the ONLY place that solutions exist. The only place you can cash the paycheck you so rightly deserve. Not in a world of conspiracy theories, not where science and facts are rejected.

You need to understand that economics is a SCIENCE. And it's this science the rich used to scam you. We intend to turn economic science to OUR advantage.

7) Want to know how we're real? We have ONE metric for success. To fill your bank account with cash. It's the uppermost objective of Phase One. We are FIXATED on inflating your wages. It's not just the first objective, but nothing much else can be fixed without it. But if we do fix it, everything else falls into line.

To reiterate - gauzy, ephemeral, bullshit misdirection is not how we rock. The ONLY metric to measure our impact is straight-up cash in your right front pocket.

8) The crisis is economic. Everything else—climate, healthcare, education, even politics - is downstream from that. When 90% of the people don't benefit from growth, democracy breaks down. Rage builds. Polarization deepens. And chaos creeps in.

They'll tell you the problem is immigration, woke ideology, crime, or cancel culture. They're lying. The problem is that the rich took your money and won't give it back. This is deliberate but with our program entirely reversible.

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## DECADES OF PROSPERITY

From 1945 to 1980, the American economy experienced unprecedented shared growth. It was by far the largest run of prosperity by any country in the history of civilization. Increases in GDP were split evenly among the lower, middle, and upper classes, birthing the American Dream and fueling the rise of a strong middle class.

Across the economy, incomes doubled from 1945 to 1970.

### AMERICAN DREAM 1.0 / THIS IS WHAT IT LOOKED LIKE

My Grandpa Paul was born at the very end of the nineteenth century. Grew up in a small town in the middle of Wisconsin. Was raised on a farm, had only an 8th grade education and somehow managed to become a professional boxer. A good one. Realized he couldn't spend his entire life doing that, so he got a job at the local John Deere factory unloading trucks.

Even though uneducated he's an ambitious young man. Sees a job posting for a much better paying job as a welder (experience required). And even though he had no experience, he went to the library and took out every book they had on welding and spent the weekend reading.

Not only did he get the job but within weeks he became the plant's master welder. Welding those pristine yellow and green John Deere tractors he was so proud of. Paul was a man in full. *He was America.*

Worked hard and honorably. Paid his taxes (with only minimal complaint). Sent a son to war. Had a modest but lovely home on a river he could fish. Retired with a generous pension and medical care and Social Security that supported him frugally but comfortably. And then subsequently his widow when on her own.

America honored its bargain with him. Took care of him. In exchange he contributed to his company, his community, his family especially. Did he live the American Dream? Yes, absolutely. And his children especially lived the American Dream.

His children had all sorts of opportunities not available to him. Did better than he did financially / materially. His daughter went to college. Moved to the big city.

But it's all gone now. The American Dream that my grandpa Paul lived is *long* gone. You think a modest but lovely home on a river and a fully paid retirement is available to someone with an 8th grade education willing to work hard?

To send his daughter to college? To retire quite comfortably and enjoy all the pleasures on offer at Fat's Tavern on Main Street? Even the light-bulb warmed cashews in the gumball-like machine?

*Well why not?* Turns out that's actually quite simple.

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## WELCOME TO SWOOSH NATION

Why is it that everywhere you turn, there is hardship and conflict? Especially economically? Welcome to Swoosh Nation. When Nike came out with their new logo the founder was asked what it was.

He called it a swoosh. When asked what's a swoosh? He replied "It's the sound somebody makes when they run past you." Isn't that just what it feels like? It seems that everyone and everything is zooming past you. That you're stuck in place. Especially financially.

Through no fault of your own the American dream has vanished without a trace. For your children - for everyone's children. And unless something's done now, it will be gone for your children's children too.

But before we can talk about WHAT to do, we need to talk about HOW this happened. **To start, we can't emphasize enough that it's not your fault.** This economic hardship you've been experiencing for years.

It's completely normal to blame yourself, to feel some measure of guilt. That it's your fault you haven't provided for your wife, partner, children to the extent you had hoped for. That you should have been able to.

But nothing could be further from the truth. **NONE of this is your fault. Your responsibility.** You just got scammed like pretty much everyone you know. Me included.

There has been a long-term erosion of public trust. Americans, especially working-class voters, are demoralized and disillusioned - not only because of worsening material conditions but because they instinctively know the system is rigged.

That disillusionment has, paradoxically, driven many to support the very political forces that made the system unfair in the first place - through populist rhetoric, culture wars, and scapegoating.

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## IT'S AS IF THE WEALTHY HAD A MEETING

*"Want to help a poor person? Help a rich person."*

William Simon, Bush Treasury Secretary

*"There's class warfare, all right, and it's my class, the rich class, that's making war, and we're winning - and we shouldn't be."*

Warren Buffett

As reported earlier, starting in the late 1940s and lasting until 1980, increases in the national economy and GDP were split evenly between the lower, middle and upper classes. This was the greatest run of prosperity in any country's history, *Ever*.

But all of that changed. Almost overnight.

In the late-seventies, it's as if the rich all got together for a meeting. One can imagine amidst the smoked trout croquettes and the iced bottles of Dom Perignon champagne, they decided this shared prosperity had to stop. *Immediately*.

What's the point of being a rich person if all the wealth is being shared *equally* among all Americans? It simply wouldn't do. So they said, "Not in our America!". In 1980 they turned the entirety of the government on all levels, all of Wall Street, and the entirety of the corporate world into vessels with one solitary purpose.

This shift was not the result of market forces but a deliberate strategy by elites. Since then, all levers of power were redirected to ensure wealth flowed exclusively to the top. Reagan detonated the American Dream.

He reengineered the government to serve only one purpose: increase wealth for the wealthy. Every molecule of power and most every law crafted since has served that goal. It's the root of EVERYTHING that ails America - stagnation, hopelessness, rage, division. It's *all* economic.

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## THE BIG RIP

From 1980 to 2025, America was gutted. The middle and lower classes were looted of \$50 trillion - money that was rightfully theirs. They essentially stole it from us. All of us regardless of political affiliation, race, creed, gender, whatever. Every one of us. Equally.

\$50 trillion and counting, directly from you and your family's pockets to theirs. And it most definitely continues to this day. Every day. It's the largest financial scam in world history. Regarding its continuance, the current proposed legislation is the greatest transfer of wealth from poor to rich in a single congressional bill in U.S. history.

Reagan's policy decisions - most notably tax cuts and deregulation - are cited as the ignition point of this reorientation. Corporate tax rates, top personal income tax rates, estate taxes, and capital gains taxes were all slashed.

Meanwhile, union power was dismantled, wages stagnated, and safety nets were gutted. This wasn't reform, this was robbery. The rich stole it, openly and proudly, by rewriting the rules of the economy and hijacking the government.

From 1980 onward, the entire apparatus of government, Wall Street, and corporate America was repurposed to enrich the wealthy. Tax policies, corporate governance, labor laws, and political priorities were all rewritten to benefit the top income earners, often at the direct expense of everyone else.

### WHAT SHOULD HAVE BEEN

*"From the late 1940s to the mid-1970s, output and wages moved together. But slowly from the mid-1970s, and then rapidly from the 1980s, they diverged. By 2023, we've had 40 years in which the output of the economy has grown enormously, with output per worker hour growing by 126 percent, while compensation per worker has grown only 27 percent."*

Had the same income distributional statistics in place from WWII until 1980 still applied, it would be way more than enough **TO DOUBLE THE MEDIAN INCOME OF EVERY FAMILY IN**

**AMERICA.** Without doing a solitary thing differently. No additional hours. Same job. Same job for your partner.

For 45 years, the middle and lower classes experienced an average \$200 per year increase in income. That's it. This was the stagnation we've talked about. And the only reason there was ANY increase was due to working more hours.

We actually received basically none of the sizeable increases in GDP and income over nearly a half century. The very rich walked off with ALL the vast wealth created during this time. Created by you and me.

*That's how badly they ripped you and me off.* The obscenity is staggering. Had you received the increases you **rightfully should have**, you'd likely celebrate the bountiful blessings of America.

At the average, imagine if you and your wife were rocking \$170,000 in salary right now (\$85,000 x two). You think you'd be perpetually angry, enraged, or is it more likely you would chill a bit and enjoy your blessings?

At \$170,000 a year in salary, nobody's looking down on you. There's no issue with your dignity. This wasn't about ideological conservatism, but raw financial theft on an epic scale: a \$50 trillion redistribution of wealth over four decades.

“As it turned out, the 1980s were the '30s but in reverse: instead of a fast-acting New Deal, a time-release **RAW DEAL**.”

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## **VANISHING AMERICAN DREAM**

*Every child had a pretty good shot,  
To get at least as far as their old man got.  
But something happened,  
On the way to that place,  
They threw an American flag in our face.*

Billy Joel / Allentown

There are multiple definitions of just exactly what the American Dream is. But consistent throughout each of them is a basis in economics. That the Dream includes not just

prosperity for oneself but more importantly, enhanced prosperity for one's children and their subsequent children.

"If we'd continued slicing the pie as we'd done from 1940 until 1980 then 80 percent would be earning more money than their parents.

"Of Americans born in 1940, at age thirty, 92 percent, were earning more than their parents had at that age and older." ZZ5 / Pg 211

Then Ronald Reagan got his greasy mitts on the economy.

"Among Americans born in 1970, at age thirty, only half were earning more than their parents had - and for sons compared to fathers, even *fewer than half*." ZZ5 / Pg 211

The American Dream died the day they decoupled wage growth from economic growth and overall GDP growth. Your salary flatlined. Your shot at building a future evaporated.

Out of all the things in this paper, nothing is more true than that Reagan destroyed the American Dream for millions and millions of people to come, generation after generation.

And the difference wasn't that the economy was stronger in the earlier epoch when the American Dream was born, it was directly related to what was done to eviscerate the sharing of the country's economic prosperity. Actually, by one important metric, ***the economy is doing twice as well as before then.***

But the decision and execution of the strategy to share the wealth generated by all in a democracy is a purely political one. And that is where you have failed epically. Why have consistently tens of millions of people ***voted vehemently against their own interests*** and embraced this travesty? **CONSISTENTLY VOTED IN FAVOR OF THE RICH AND AS A DIRECT RESULT HARMED THEMSELVES?**

This categorically has to end.

And what did they take beyond just your money? Because they didn't just take money. They took possibility. Hope. Mobility. The belief that if you work hard, you'll get ahead. That's what made America great. And they stole it.

As a result, there is an attendant hopelessness attached to this as well. That there is very little, if anything, that can be done about it all. They are victims, of course. They are being persecuted.

Until now.

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## **EVERGREEN REVOLVER**

As Caesar famously said:

*“With money we will get men and with men we will get money.”*

It's been true for the past 50 years.

*“There are two things that matter in politics. The first is money. I can't remember the second.”*

Mark Hanna, 1896, President McKinley's campaign manager and power broker.

It's been true for the past 150 years.

Reagan Inc. went in search of what in business is referred to as an *EVERGREEN REVOLVER*. A virtuous circle/cycle of Benjamins. And they found it, *Lordy, Lordy they did indeed* – right there on K-Street.

Need to understand the game? The *ONLY* thing politicians care about is self-perpetuation. They need money to get elected / re-elected. Once elected they are  *beholden* to the money that got them elected. So, as a result, every molecule and fiber of their beings and policies are directed to benefit the donor class.

As a result, the (recipient of unimaginable largess) donor class then gives them more money to win more elections and as a result the donor class accumulates vastly more wealth and power and there we go – a beautifully crafted evergreen revolver.

So, what is it that the donors want? In a sentence - *unfettered* pursuit of self-interest. With *no* inhibition. No regulation. Especially from the government. All while paying lip service only to the lower classes (that's the populism part).

The price of admission for invertebrate politicians? Aww, that's easy. Just their souls. Literally. *NOTHING* that is subsequently asked of them by the oligarchs is refusable.

Nothing. No principles. No dignity. No self-esteem. No shame. Just unfettered, craven servitude. They learn very quickly that debasement is more than one floor down.

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## **WEAPONS OF MAX DISTRACTION**

So how did no one see this? How did they get away with it? How come you and me didn't know ANYTHING about it? \$50 trillion? Stole half our wages? Simple: What we call MAX DISTRACT.

While the rich looted the economy, they made sure you were distracted. There was a duality to the scam comprised of what happened above the surface and what happened just below.

An absolute brilliant strategy employed by the elite to disguise their massive theft. It tore the nation asunder, but that was a small price to pay for their own enrichment. They sacrificed the unity of a nation for \$50 trillion dollars. And it came directly out of your pocket.

In lieu of governing, Republicans for decades turned to demonization of their opponents in order to win elections. Democrats, in response, chose not to govern but to focus instead on identity politics which led to ever more conflict.

Welcome to Conflagration Nation. The culture wars that pitted Americans against one another brought out the worst in people and continues to do so to an even greater degree today.

Immigration, drag shows, guns, race, religion. Identity politics and meaningless side shows. Both parties stopped governing. You were told to blame trans gender individuals. Blame the other side. Blame the poor. But it was the rich who made off with your future. Red or blue, left or right—didn't matter. They ripped you off the same.

**THAT WAS ALL BY DESIGN. WITH EVERYONE CONSUMED BY CULTURE WARS, NO ONE PAID ANY ATTENTION OR EVEN NOTICED THE MASSIVE GRIFF BY THE WEALTHY AND ELITES.**

The media? They're in on it. Outrage drives ratings. Solutions don't. The national media and social media are not remotely interested in the public good - that doesn't drive ratings.

When was the last time you heard either side of the political world or the media discuss how to improve the contents of your pocketbook? It simply doesn't happen. And in our opinion, that's *all* they should be talking about.

The whole thing is a calculated political strategy of cultural misdirection designed to obscure a decades-long upward redistribution of wealth. This means fostering outrage over issues like immigration, drag shows, gun rights, and religious values—all designed to stir tribal loyalties and obscure economic realities.

This manipulation is not only misleading but **self-destructive**. Working-class voters consistently **vote against their own economic interests** by supporting tax cuts for the wealthy and deregulation that disproportionately harms them.

"Despite bearing the brunt of the negative consequences, these voters remain loyal to the very forces impoverishing them."

And what's worse is that all we have left is outrage. Politicians no longer govern, they just perform and agitate for clicks because that's where the donors are. They are not interested in any real solutions, because that would be bad for business. Solutions might provide an advantage to one side or the other while quarreling is good for both sides.

And even if they were interested, which they clearly aren't, they would have no idea how to go about helping you. Meanwhile the Big Rip keeps ripping, it keeps tearing, it never stops. So how do we fix this mess?

Now, America stands on the brink. There are five existential threats bearing down on America:

1. Hyper-Inequality: The top 1% own 42% of all wealth. The bottom 60% own just 2%. That's a caste system, not a democracy.
2. Government Bankruptcy: Rescind the Bush and first Trump tax cuts and we would have a budget surplus. Instead we now run trillion-dollar deficits. Interest payments alone are nearing \$1 trillion annually. The solution is both simple and obvious. Revenue side.
3. Environmental Catastrophe: Just look out your window. Any questions?
4. Loss of trust in government: People have stopped believing Washington can or will help. Because it hasn't. And in reality has ZERO interest in doing so.
5. Social Rupture: Division so extreme, some talk of civil war. This rage isn't irrational - it's what happens when the system fails everyone but the rich.

Fix the first three, and the last two fix themselves.

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## AXIS OF EVIL

It's a three-legged stool. For those on the right, their Axis of Evil is comprised of three distinct economic components:

1. Supply-Side Economics.
2. Shareholder Primacy.
3. Stock Buybacks.

Together, these three forces are the pillars of the elite capture of the economy. In every other advanced democracy, governments actively work to reduce inequality, while the U.S. government "nurtured" it. A contrast to challenge the legitimacy of American exceptionalism in economic policy.

Reagan didn't just cut taxes. He rewired the entire American system. Deregulated the economy. Legalized stock buybacks - once banned as stock manipulation. Gave corporations a new mission: maximize shareholder value at the expense of their employees. Not invest in workers. Not serve the community. *Just extract every last dollar and send it up the ladder.*

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## THE MATTHEW EFFECT

*"For to everyone who has, will more be given and he will have abundance; but from him who has not, **even what he has will be taken away.**"*

Matthew 25:29 / 1980 Republican Party Platform (almost certainly).

The Matthew Effect / Matthew Principle is an effect of what is referred to as accumulated advantage – "the tendency of individuals to accrue social or economic success in proportion to their initial level of such."

You've often heard it referred to as "the rich get richer, and the poor get poorer." It's oft times explained by what is called "preferential attachment". Those with resources attract more resources and those without, are not in a position to attract any.

Wanna see what it looks like?

First an aside. Supply Side Economics. Shareholder Primacy. Corporate Stock Buybacks. I will completely eviscerate them in the pages to come. Every fragment. To quote Sheldon from *Big Bang Theory*:

"I intend to destroy the molecular bonds that bind their very matter together and reduce the resulting particulate chaos to tears."

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## SUPPLY SIDE ECONOMICS / TRICKLE-DOWN THEORY

*"If you really want to help the poor, help the rich."*

William Simon / Bush Treasury Secretary

They called it "supply-side economics," but it was just a smokescreen. "See, if you pay less in taxes - and only if you pay less in taxes - America's economic prosperity and stability will be restored. *It's not selfishness, it's patriotism.*"

Tax cuts for the wealthy lead to economic prosperity at the top which would "trickle down" to middle and lower classes. It is of course beyond stupid. Theoretically, the point of Supply Side Economics is to provide benefits to the wealthiest in the hopes that it will indeed trickle-down to those below.

There are two core tenets to Reaganomics. The first, sending massive financial benefits to those at the top will consequently find their way down to the middle and bottom. The other tenet is that enormous tax cuts will pay for themselves with increased economic activity resulting in enhanced tax revenues.

Seems to me that if the ultimate objective is to benefit those below, why wouldn't you just give the benefits DIRECTLY to the middle and lower classes? Instead of ALL of it to the rich?

As we spoke about in earlier pages:

For decades the right have been trying to solve a singular problem: that poor people have too much and rich people don't have enough and we need to transfer resources, wealth, and income directly from the lower classes to the very elite classes. The top 1%.

A shocking turn of events. An unmitigated belief that all tax increases are bad no matter what they are for and that decreases in taxes spur economic stimulus. They would make an argument that decreasing dog license fees would stimulate GDP growth.

The only legislation one can recall from the Reagan, Bush, Trump Administrations were tax cuts for the wealthy.

“Everywhere and always, the modern GOP saw high-end tax cuts as the solution to **any** problem.”

## HISTORY

So, Reagan & The Boys didn't invent this scam. It's been a Republican stalwart for 125 years.

“Back in the 1890s it was called “Horse & Sparrow Economics,” the sales-pitch before the era of cars being that if you fed horses more oats than they could normally digest they'd drop all that *undigested* oat in their manure for the sparrows to pick at.”

How perfect is that? Kernels of undigested oat enmeshed in feces left over for the Proletariat. What's hilarious is that in the end the common folk didn't even get the kernels, just the feces.

Warren Harding revived Horse & Sparrow Economics in 1920 - the result being the 'Roaring 20s' when the rich got fabulously richer while working people saw their wages actually drop ...” And then what was known for thirty years as The Republican Great Depression.

With Trickle-Down Theory, the opposite of what they lied about occurred. The rich got fat and the middle and lower classes got poor. Since 1980, 99.3% of income growth went to the top 1%. Less than 1% to the bottom 90%. During the same period the top one percent saw their net worth increase \$367% while the bottom 90% saw their net worth decrease 67%.

The economic growth promised under supply-side policies has consistently failed to materialize, and such policies have led to ballooning national debt, weak job growth, declining wages, and deteriorating national infrastructure.

They said the tax cuts would pay for themselves. They didn't. The national debt tripled under Reagan. *Overnight the U.S. went from the world's largest creditor to its largest*

debtor. Interest payments ballooned. Infrastructure crumbled. All to fund tax cuts for millionaires.

***“Kogan said that if Washington were still receiving all of the taxes it has lost from the Bush and first Trump cuts, the federal government’s total revenue would cover all its spending - including domestic discretionary programs.”***

## COMPARABLE

Basically, from the end of World War II until into the 1970s, the wealthiest people in America paid tax rates of anywhere from 70% to 90%. “U.S. productivity and GDP per person and median household income after inflation all doubled.” Despite the enormous tax “burden”. Huh.

During the Kennedy Administration the largest economic expansion in history commenced simultaneously with uppermost tax rates of 70%. Conversely, Bush Junior cut taxes extensively for the richest in 2001 and 2003 “and the slowest job growth in half a century followed.” Uhhh ... ummm ... well ...

Studies show that during periods of higher taxes on the wealthy (e.g., under Truman, Eisenhower, and Kennedy), economic growth was stronger, wages rose, and the middle class expanded.

Conversely, eras dominated by supply-side economics produced sluggish investment growth, weak productivity, and increased inequality. The Center for American Progress and the Economic Policy Institute, which analyzed three distinct policy periods: Reagan’s tax cuts, Clinton’s tax increases, and Bush’s tax cuts.

The Clinton-era policies - which raised taxes on the wealthy - resulted in stronger growth, more investment, better wage increases, and improved fiscal health compared to the two supply-side eras.

So in order to divert attention, they propagated this theory that lower taxes were just a facade, in order to “starve” the government of revenues with the belief that it would lead to a concomitant reduction in government spending.

Make the government small enough so that they could “strangle it in the bathtub.”

"Noted economist Paul Samuelson called this notion the tapeworm theory - the idea that the way to get rid of a tape worm is to stab your patient in the stomach".

Supply-side economics is not only ineffective but *purposefully* deceptive - a tool created by elites to siphon wealth upward under false pretenses. The theory has no empirical support, has caused incalculable harm, and remains popular only because of the political and financial power of its beneficiaries.

Any questions? Just ask Paul Krugman with his fake news Nobel Prize.

Over and over, it's been proved definitively that supply-side economics is complete and utter bunk. I like the word bunk. But scam and grift are perhaps more accurately employed.

Remember how we relish facts and truth? The truth is that tax cuts for the wealthy trickling down or paying for themselves is utter bunk. A complete and total scam. Ask anyone, especially those clowns at the Wall Street Journal Editorial Page. There is ZERO evidence that supply side economics does what it pretends to do. ZERO.

Actually and demonstrably, the opposite is true. **Income taxes on the wealthy should absolutely be a minimum of 60% to 70% at the top.** Just saying.

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## MAXIMIZE SHAREHOLDER VALUE

*"A barrel of oil is typically traded 27 times, on average before it is actually delivered and consumed."*

There is a twin to supply-side economics in the rape and pillage of our national village. It's a concept variously referred to as shareholder maximization or alternately, shareholder primacy theory.

"The concept that the primary goal for a company is to increase the wealth of its shareholders by paying dividends and/or causing the stock price to increase (introduced in 1970)."

"This shareholder primacy approach views shareholders as the **economic engine** of the organization and the only group to which the firm is socially responsible."

“Yet, none of these are rooted in any law because shareholder value is ultimately a management decision, not a legal requirement.”

## MILTON FRIEDMAN

The concept mistakenly arises from a Milton Friedman essay. The ideology of shareholder primacy was first inadvertently popularized by Friedman in 1970. His doctrine - where the sole purpose of a business is to maximize profits for its shareholders - as one of the most damaging ideas in modern economic history.

According to the text, Friedman's theory became the twin pillar alongside supply-side economics in the larger campaign to *reorient* society around elite interests. The essay in The New York Times - "*The Social Responsibility of Business Is to Increase Its Profits*" in 1970.

Friedman and his followers reduce the purpose of corporations to nothing more than *short-term profit extraction*, ignoring the broader impact on employees, communities, and national stability.

But Mr. Friedman is credited with/as the fountainhead. He stated confidently in his essay:

“There is one and only one social responsibility of business - to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game ...”

We don't much disagree with this limited aspiration. We are ADAMANTLY PRO-CORPORATE PROFITS. But this limited doctrine was perverted during the Reagan administration. It somehow got conflated with shareholder primacy.

They are two totally different things. AND WE ARE ADAMANTLY ANTI-SHAREHOLDER PRIMACY.

Let's look at an opposing view to shareholder primacy. The most enlightened imaginable.

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SERVANT LEADERSHIP

“The business exists as much to provide meaningful work to the person as it exists to provide a product or service to the customer” and “all work exists as much for the enrichment of the life of the worker as it does for the service of the one who pays for it.”

There are alternative corporate philosophies - especially Servant Leadership, as articulated by Robert Greenleaf. Greenleaf argued that companies should exist to serve people - starting with employees - and that profits would follow from treating workers well and creating value.

It's an honor to introduce a man to refute Milton Friedman not just as an economist but as a human being as well. In his seminal work *Servant Leadership*, Robert K. Greenleaf stated:

The following quote comes from George F. Johnson who owned the Endicott-Johnson Shoe Company. It is possible that there has never been a more enlightened manager in business history. This is a guy who in 1919 created a profit-sharing program for his employees.

“My mind goes back to the time when labor was a commodity and capital bought it in the lowest market, as if it were hides, leather or raw cotton. ***It was not what labor was honestly worth. It was what labor could be purchased for.***”

## SHAREHOLDERS

“You supply the satisfy,  
And I'll supply the need.”

James Taylor

*Shareholders often bear little risk* (unlike employees or communities) and have no loyalty to a company's success beyond stock price increases. Despite this, they are prioritized above all else.

Additionally, in their rudimentary thinking, if there was any, was that shareholders should get all the largesse because in all of capitalism, they are best situated to allocate resources simply because of their own profit motive in ensuring that their capital gets the greatest returns. Adam Smith's Invisible Hand at play. Sure.

## BUYING FOR RESALE

An overwhelming problem. Stock trading is not done for the purpose of providing capital to businesses, but it's done strictly as "pure speculation" in order for investors to gamble on outcomes. Outcomes not necessarily tied to business in the real world.

It's been said that a rather adept economic historian, "Charles Kindleberger defined 'pure speculation' as 'buying for **resale** rather than use in the case of commodities, or for resale rather than income in the case of financial assets.'"

## HIGH-FREQUENCY TRADING

"HFT is complex algorithmic trading in which large numbers of orders are executed within **fractions of seconds**. It uses mathematical models and algorithms to make decisions, taking human decisions and interaction out of the equation."

"Upwards of 75% of all shares traded on the NY Stock Exchange are high-frequency algorithmic trading."

HFT is done at mind-boggling speeds. It can be as fast as 10 milliseconds. Which is 1/100th of a second. The average eye blink is 100 milliseconds, TEN TIMES as long as a trade. By the way, did you know that we spend nine days a year blinking?

The purpose of HFT? *"To suck unearned profit out of the market."*

"Joseph Stiglitz, a Nobel Laureate in Economics, is among those who argue that rapid trading is **"socially useless"**.

## THE STOCK MARKET

"The stock market is a component of a free-market economy. It allows companies to raise money by offering stock shares and corporate bonds."

Theoretically, its primary purpose is to gather capital for companies to use it to either initiate or expand its business. The secondary purpose is to give common investors an opportunity to share any (or all) of the profits generated.

## WALL STREET

The concept of capitalism serving the greater good has been eroded by this obsession with shareholder returns. This has led to underinvestment in innovation, job cuts to boost

earnings, and the exploitation of workers. When stock price becomes the only measure of corporate success, everything else becomes expendable.

Their purpose is to financially support businesses at starting or expanding. To guide capital to its most productive uses. As the third Lord Rothschild concisely put the fundamental premise:

“Essentially facilitating the movement of money from Point A, where it is, to Point B, where it is needed.”

### **UP/DOWN BOOGIE / WALL STREET IN A NUTSHELL**

*"We used to make shit in this country, build shit. Now we just put our hand in the next guy's pocket."*

*The Wire*

See, got these fabulous guys and dolls on Wall Street doing the Up/Down Boogie. I smile frequently when told of the extraordinary complexity of various financial instruments on Wall Street. Because trust me, all day long they're all doing *one thing and one thing only* - betting on whether the damn thing goes up or down.

Doesn't matter at all what the damn thing is, a stock, a bond, a synthetic collateralized debt obligation, their buddy's ... Just whether it goes up or down.

This wagering should not of course be confused with anything productive. The dudes doing The Up/Down Boogie do not care about tomorrow. In fact, there is no such thing. Tomorrow is for schmucks and no one on Wall Street is a schmuck. They make multitudes more money than you and me.

### **MILTON FRIEDMAN'S STUPIDITY – FIRST TAKE**

For example:

“The only money that Apple ever raised from public shareholders was \$97 million at its IPO in 1980.”

This means that since 1980, Apple has had no use *whatsoever* for shareholders. They haven't contributed A SINGLE THING to the company, its results or even its existence. So why is it that they are rewarded? Not just with stock appreciation but with dividends and stock buybacks?

This is typical of most large, publicly traded stock companies. They long ago raised the capital they needed for the business and now just pay High Frequency Trader shareholders (75% of total market activity) and day traders (17% of total market activity) for holding on to their stocks *for seconds / minutes*.

So, you're telling me Tim Cook, Apple CEO, works for the putz who bought \$300 of Apple stock and couldn't care at all about the company? Just wants to make a couple bucks as quickly as possible? Quickly being defined as seconds / minutes. *And according to Friedman, Apple is run solely for this putz's benefit?*

That's just about the stupidest frigging thing I've ever heard of.

***Why would you run a company with the primary function of paying shareholders who do NOTHING for you?*** NOTHING for ANYONE or ANYTHING? Pay them more than any other component of the business?

*Where in the confines of economic theory does this make sense? Where is this written down?* It's consistent with not just the utter bankruptcy of the financial markets but also the complete bankruptcy of supply-side economics.

In short, this section presents shareholder maximization as a philosophy that has hijacked corporate governance, corrupted capitalism, and hollowed out the American economy.

I find Friedman's entire essay to be nonsense. Unsophisticated bordering on the trivial. But profits and maximizing shareholder value are two completely different things. And commingling them shows that this whole thing was amateur hour from the Jump. Conflating profits with shareholder primacy is like conflating tangerines with suspension bridges.

## THE RESULT

*"The decline in worker power is big enough to explain the entire decline in the labor share of income in the United States over the past four decades."*

*"Industries with the largest increases in corporate profitability - and payments to shareholders - were the ones with the largest decline in both worker power and workers' share of corporate profits."*

"Maximizing shareholder value as commonly understood is a theory of value EXTRACTION, not value CREATION."

## CONCLUSION

Ultimately, this isn't about a maximization of profits. *We strongly and urgently believe in maximizing profits.* The ultimate question is - who gets what portion? Those that create the profits? Those who risk the most? Or Ayn Rand's freeloaders? You know, the wealthy?

So when you hear the market's up? That's not your win. That's the rich rigging the scoreboard and throwing a party you're not invited to.

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## STOCK BUYBACKS

### FROM VALUE CREATION TO VALUE EXTRACTION

Currently, one of the first and foremost manner in which the government and the wealthy screwed the common folk is with corporate stock buybacks. It's a staggering scam.

"It's often forgotten but stock buybacks were illegal until 1982 as a *flagrant* form of stock manipulation."

Stock buybacks occur when publicly traded corporations go into the marketplace and purchase their own shares and retains them. Ostensibly this is done because the CEO / Board of Directors have determined that the stock is underpriced and it's a great value.

That's not AT ALL why they're doing it. They're doing it because stock buybacks give the publicly traded shares a sugar high. a short-term increase that is purely stock manipulation. Due to there being less shares in the market the earnings per share rise and that is deemed a net positive by the market, Even though it's transitory and artificial.

This is a direct transfer from government to the rich. How do I know this? Well, it only benefits shareholders. And who are shareholders?

Any questions?

Corporate earnings which are largely created by the employees of the company are essentially distributed to the richest of the rich in this country. It's a way of providing a benefit that doesn't get taxed. And the market ALWAYS applauds.

Like most of the Big Rip, it was initiated during the Reagan Administration. It's a methodology referred to as "downsize-and-distribute". Shareholders were king, employees were commodities to be minimized and inequality became vast.

"Buybacks occur when companies place the cash they gain from lower taxes back into the pockets of their shareholders rather than investing in new plants, equipment, innovative ventures, or especially employees."

This in stark contrast with the end of World War II, a staggeringly powerful economic engine was thriving. The governing philosophy was "retain-and-reinvest". On the balance sheet, Retained Earnings actually meant something.

The profits were retained and reinvested in the enterprise. Not transferred to the wealthiest in the form of dividends and buybacks. Since the 1980s, buybacks exploded. Take a look:

Buybacks effectively became obligatory in corporate America, done by 85 or 90 percent of big public companies. The cost lately has been around \$1 trillion a year, three times what businesses spend on research and development.

Astonishingly, from 2010 through 2019, ***"most of the money invested in U.S. stocks came not from true investors but from companies buying back their own stocks."***

#### EXECUTIVE COMPENSATION

And the REAL, REAL reasons that stock buybacks have exploded in the marketplace? A major milestone in executive compensation occurred in 1993 when the IRS code was modified to dictate that any executive salary in cash over \$1 million was no longer tax-deductible.

This is a problem for the companies because they intend to pay their management WAY more than \$1,000,000 a year but yet want the deductibility. The IRS, however, did not change the treatment of stock options which remained completely deductible.

Voila! Overnight, over 80% of the highest paid executives (read *all of them*) compensation came from stock options or stock awards.

“As a result, the very people we rely on to make investments in the productive capabilities that will increase our shared prosperity are instead devoting most of their companies’ profits to uses that will increase their own prosperity - with unsurprising results.”

Ooops. And what can only be assumed is a coincidence, since Reagan, United States executives’ compensation has tripled.

“The extra billions in compensation funneled by Wall Street to managements of all the major corporations starting three decades ago amount to a de facto GARGANTUAN BRIBE to obey Wall Street, thus extending and consolidating Wall Street’s power over the entire economy.”

It’s one of the major reasons corporations lobby for lower taxes. It allows for more money to be spent on buybacks. On nothing productive, just the enrichment of the already wealthy and their CEOs.

“When companies engage in stock buybacks, they are choosing not to spend that corporate cash on investments in their employees, higher wages, or research and development - investments that are *the foundation of long-term innovation and economic growth.*”

#### SOME NUMBERS

- Following passage of the Trump tax cuts, ten major drug companies spent nearly \$75 billion on stock buybacks. In comparison, these same companies spent **less than \$72 billion on R&D that year** (Milani 2019).
- McDonald’s would have been able to pay all of its 1.9 million workers almost **\$4,000 more** if the company had redirected the money it spent on buybacks to workers’ paychecks instead.
- Similarly, if Starbucks had reallocated money from share repurchases to compensation, every worker would have received **\$7,000 more** (Tung and Milani 2018).
- In the retail industry, companies spent 79.2 percent of their net profits on share buybacks during the same period. Had these funds been redirected to workers rather than spent on buybacks, employees at Lowe’s, CVS, and Home Depot would have received **an additional \$18,000** (Tung and Milani 2018).

These numbers stand out, given that *many workers at these companies barely receive that much in yearly earnings.*

- If in 2018 and 2019, Walmart, America's largest corporate employer, with over 1.5 million employees nationwide, ended the practice of stock buybacks and spent just \$10 billion (of the \$20 billion authorized) on increasing wages instead, one million low-wage Walmart employees would see an **hourly wage increase of over \$5.66 that year.** (Palladino 2018). Or **\$11.32 per hour** if the entire authorized amount had been diverted to wage increases.

"Stock buybacks are the tip of the spear of the larger trend in which profits are *extracted* from corporations by shareholders, rather than reinvested back into the company in a virtuous loop of continuous productivity growth. In multiple stakeholders - including workers, smaller businesses along the supply chain, and the public benefit."  
L23

Because they extract value rather than create it, "This *extractive* corporate behavior hurts workers and families and is hollowing out our economy."

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## THE SPLIT

Ultimately, the essence of the entire dispute lies not in maximizing profits, we adhere to that notion vehemently. But in how the proceeds are divided. Milton Friedman believes that shareholders should get 100% of excess profits. That's simply for publicly-traded companies but believe me, he espouses it for privately-held entities as well.

In our world, profits are not an evil thing. They are a glorious thing. They are the fount wherefrom the standard of living for everyone rises. The only thing evil about profits is the way that Milton Friedman wants to distribute them. Typical rightward grift.

We take an enlightened view of the relationship between management and labor. Labor is where value is created. Not just through manual work but through knowledge labor - innovation and creating value as a result of their own initiative.

Our view is that labor and management should form an alliance in which they work in tandem to increase profits and those profits are generously allotted to labor for its essential contribution.

Within the confines of capitalism as we know it, it makes far more sense for a generous proportion of these profits to be distributed to labor and middle management rather than distributing them to stockholders who bear no risk, contribute nothing to the enterprise, and do not care at all for its long-term prosperity.

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## SOLUTIONS

*You need to know that if you are looking for precise detail on our remedies for dramatically increasing your income, you can see our actual 54 micro-solutions on a tab elsewhere on this site.*

*"All truths are easy to understand once they are discovered; the point is to discover them."*

Galileo Galilei

And yet it's all so simple. As long as you take politics out of it. The minute you do that the solutions couldn't be clearer. And what you quickly discover is that politicians on both sides are not remotely serious about solutions. They're only playing the political game. trying to perpetuate their own careers. At the expense of this great nation.

There are no solutions on that political level. most likely never have been. But certainly not now. Which renders most if not all politicians these days effectively useless. Technocratic or incremental solutions are insufficient. Small fixes cannot counteract the vast, deliberate sabotage of the middle class that has occurred since 1980.

We offer a bold economic vision - one that reverses the effects of the \$50 trillion "rip-off" and reestablishes broadly shared prosperity. The American economy is not broken, but rigged - and therefore can be un-rigged.

What's needed is not policy tinkering but an economic reversal, one large enough to rival the theft itself. America has done it before: during the New Deal, under Eisenhower, and after World War II. What changed then was not our capacity, but our collective will.

The solution isn't to stop the machine - it's to **reroute its output.**

Welcome to the American Prosperity Program. We specialize in identifying the foremost elements that stand between you and a surfeit of extra cash. But our true genius is devising solutions to reverse the Big Rip and the attendant damage.

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## THE MAIN THING IS TO KEEP THE MAIN THING THE MAIN THING

We, on the other hand, *got the goods*. Dramatic, comprehensive solutions rarely if ever contemplated before. Phase One is the most important one. To wit: the sole objective of Phase One is to double your income and restore the American Dream.

In the process lighting a fuse under the United States economy that will produce significant financial results. *You can't fix anything else until you fix wages*. At APP we are going to fix everything. But we need to start with wages.

“This upward redistribution of income, wealth and power wasn't inevitable; it was **a choice** - a direct result of the trickle-down policies we chose to implement.”

*It was government policy that got us in this mess, gonna take government policy to get us out.* AND NOT THE FREE MARKET.

### What You Can Do

Change will not come from politicians alone (THE LAST) ; it must be driven by informed citizens who understand the depth of the problem and the scale of the solution.

Readers are encouraged to:

- Download and share the full “54 Solutions” documents.
- Talk to friends and family about economic inequality in factual, clear terms.
- Support candidates and movements that center working-class economic issues AND EMBRACE OUR PROGRAM.
- Reject culture war distractions that divide rather than unite.
- Remember that reclaiming the Dream is possible—and necessary.

## The Way Forward

We don't need more billionaires. We need more people living with dignity, stability, and hope. We need capitalism that works for workers. For families. For future generations.

This isn't charity. This is justice.

Because here's the truth: You were supposed to be living well. Affording a home. Raising a family. Retiring with peace. That's not too much to ask. That's what was promised. And they broke that promise.

Now it's time to reclaim it. We're talking a second revolution. First one, we took back from King George what was ours. This second one, we're gonna take back what's ours from the elite.

So are you ready to do us? Are you ready to start earning what's rightfully yours? Are you ready to get the country to work for you instead of working entirely for rich people?

The road may prove challenging. But if we, as united Americans, do it together, there is simply no stopping us. It's going to take all of us working together to make the changes outlined in this program - to reverse the Big Rip. But the time is now and we are the solution.

AND IN THE END

Republicans and Democrats. reds and blues, middle class and lower class - everyone was equally grifted. This equality of victimization is perhaps the one single thing that unites us all.

But we believe in America and in America votes are more valuable than money. It's a foundational element of our program. of our destiny. Money has run the country for the last 50 years. For these 50 years Americans on both sides of the aisle have voted against their own best interests. Voted in favor of the rich.

It's time now. Time to stand up for yourself, your family, and your friends. Oh, and by the way, your country. Can we be candid? A majority of you have been voting against what is in your best interests consistently for nearly *fifty* years. Is there ANY reason to think that can change?

We're gonna find out. We surely are.

But it starts with economics. It starts with putting the money back where it belongs - with you. The American Dream isn't dead. It was stolen. And it's time to steal it back. It's not your fault. You didn't fail. You were sabotaged.

Now it's time to wake up, wise up, and rise up.