

Burlesque

Philosophy is the talk on a cereal box
 Religion is the smile on a dog
 I'm not aware of too many things
 I know what I know, if you know what I mean, d-do ya?¹

- Emma Bunton

One of our guiding principles throughout adulthood has been to *think much and say little* (obviously abandoned more recently when paid to share our views). It is getting ever more difficult, however, to stand by quietly and watch politics descend from common theatre into absurdity. Take Obamacare: what appealed to half the population and offended the other half is quickly becoming a political third-rail lawmakers may never touch, neither to improve nor overturn. *The political zeitgeist is to think little, say much, and do nothing.* What might this mean for Keynesian re-inflation, de-regulation and trade policy?

Governing today has become a binomial affair with no room for nuance or reasoned debate. Successful gerrymandering of congressional districts has incentivized House Representatives to poll their peeps (if that is even necessary) and stick to carefully curated positions and narratives. The same is true of elected officials with broader constituencies, like senators and presidents, who see their elections as mandates to not deviate from the simplistic and increasingly bombastic rhetoric that got them there. Politics has become more volatile, laws more immutable, and government a comically exaggerated imitation of itself, a burlesque removed from its mission and promise.

Even if one is jaded to the point of political indifference (*it is all contrived drama, after all, like professional wrestling!*), one cannot help but be both amused and frightened by a man in the White House who seems to supporters and detractors alike to be a caricature of himself. He seems either unflappable or unwell. Perhaps the ascension of Donald Trump was a Karmic geopolitical offset? America elected the only person with a more grandiose ego than Vladimir Putin. (We see your strapping super-stud on horseback and raise you Daddy Warbucks in a G5!) Or, maybe hiring Hillary was a bridge too far for those Americans already sensing the crumbling of the American geopolitical architecture she promised to perpetuate?

Meanwhile, intelligence agencies believe Russia hacked the most recent US election and may have had a preference for who won (a sentence rich in irony if there ever was one). Perhaps the most effective thing Russia did to influence the election was successfully annex Crimea, which made the incumbent party seem feckless to American voters favoring NATO control over geopolitics. (Would it be too reductive to generalize Trump supporters as those that equate America's best interest with imperialism?)

¹ Emma Bunton; What I Am; Edie Brickell & the Bohemians; Geffen Records.

Be that as it may, the community of nations led by the US demands obedience and Russia acted unilaterally. Beyond defending its flanks, Russia seems to be building a patchwork of allies across the world, as is China, and American diplomats are working overtime to calm nations made nervous by America's new negotiating posture. As Angela Merkel said recently; "the times in which we could rely fully on others (USA) are somewhat over." Never mind that the US spends more on munitions than the next twenty-five nations combined. The counter to Mr. Trump's position seems to be forming, basically along the lines of: "...and if you want to remain hegemonic you will continue spending as you've been."

Do politics matter when it comes to commerce? Of course, but our sense is that the political dimension is becoming a distant second-order influence over how resources are sorted and distributed. The efficacy of government is being diluted by a trend it cannot reverse. Globalization is moving faster than nationalism, which is trying desperately to keep up. But both cannot keep up with technology (see [Cryptonite](#)).

Political burlesque is an effective diversion from commercial matters that will actually affect people's lives, like Amazon's (AMZN) purchase of Whole Foods (WFM). The deal would allow Amazon to further ologopolize goods logistics and monopolize vertically-integrated last mile distribution in the US – A to Z delivery, as its logo makes clear. The deal will likely be approved by authorities because the landscape remains littered with dead-retailers-walking ostensibly capable of competing with Amazon. They have no such capability. In fact, Amazon is not even a retailer when you think about it. It is a distribution company almost single-handedly erasing the need for a plurality of large retailers by building a direct bridge from manufacturers and shop owners to consumers. Foaming-at-the-mouth can-can dancing politicians will not likely identify future anti-trust concerns, especially when the DOJ and congress are up to their eyeballs in Trump cooties.



Governments in the US and around the world cannot advance, stop, slow or redirect progress because politics relies on their host labor forces, and labor is no longer the marginal factor of production. Amazon, Facebook (FB), Google (GOOG), KIK, their competitors, and foreign counterparts will one day intermediate commerce and disintermediate government influence over it. Each will have their own commercial and financial ecosystems, distributed ledgers and, possibly, cryptocurrencies. If current trends continue, we should expect politicians and economic policy makers to grow louder as they lose influence. Buy earbuds.

George Carlin, the best English-speaking comedian of all time (we restrict our hyperbole to matters few can reasonably dispute), was invited to the National Press Club in 1999. He discussed the silliness of political correctness: <https://www.youtube.com/watch?v=KPjd1QO-qts>. This is not the non-sequitur it may first appear to be. We find it fascinating how quickly political correctness is morphing from antiseptic language that tries to re-frame perceptions to desperate illusions masking institutional failure.

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