

These are interesting times in that there are two parallel bodies of conventional wisdom. The conventional wisdom supported by governments and the media is that the economy is healthy and expanding, climate change is a great danger to the world, terrorism is likewise a great threat which demands a strong measures such as surveillance employed by the National Security Agency, the greatest threats to our civil liberties are threats to minorities such as gays, transgendered, and immigrants, that the educational system is working well, it merely needs the support of the federal government to enforce standards and to finance it. Governmental conventional wisdom hold sthat overpopulation remains a threat to the world. All people are fundamentally the same, different mainly in the lottery of being born in a resource-rich or poor country. For that reason accepting immigrants is the only humane thing to do. Altruism is an unmitigated good. Governments claim that their statistics accurately reflect the true state of unemployment and the economy, and that thei expanding economis they show will provide workplaces all. Governments generally believe that the 1948 UN Universal Declaration on human rights and Millennium Development Goals are reasonable and attainable.

Almost all authors were independent of government, media and academia take contrary points of view. Start with banking. The banking system is ruining the economy; it is fundamentally corrupt, especially the institution of central banks. The markets are all being manipulated more and more all the time, as the tools that the central bank has available, chiefly creating money, don't work. They espouse politically incorrect views on many other topics: global warming, immigration, education, and human biodiversity among them.

One can recognize the books by their publishers. Brookings institution, the Princeton University Press and Yale University Press are major publishers of establishment works. They are not altogether wrong, they are simply predictable. Among such mainstream titles I have reviewed on economics and banking are [[ASIN: 0691168318 Phishing for Phools: The Economics of Manipulation and Deception]], [[ASIN: 0307719219 Why Nations Fail: The Origins of Power, Prosperity, and Poverty]], [[ASIN: 0691138648 Banking on the Future: The Fall and Rise of Central Banking]], and [[ASIN: 0300154321 Losing Control: The Emerging Threats to Western Prosperity]]. Every book, of course, must focus on a problem to be solved. These books advocate solutions that are comfortably mainstream.

The books on the contrarian side are more numerous and more convincing. In the sphere of economics and banking I have reviewed a couple of classics:

[[ASIN:091298645X The Creature from Jekyll Island: A Second Look at the Federal Reserve]],

[[ASIN: 1607967766 What Has Government Done to Our Money?]]

and many recent titles titles which support his theses:

[[ASIN: 1907166467 Convergence of Catastrophes]],

[[ASIN: 0865716854 Reinventing Collapse: The Soviet Experience and American Prospects]],

[[ASIN: B0034PQX3Q: World on Fire: How Exporting Free Market Democracy Breeds Ethnic Hatred and Global Instability]],

[[ASIN: 027597510X IQ and the Wealth of Nations]],

[[ASIN:1591846706 The Death of Money: The Coming Collapse of the International Monetary System]], and

[[ASIN: 0691152640 This Time Is Different: Eight Centuries of Financial Folly]]

Smith's unique genius is to pull together the observations from all sources in a highly systematic way. Organizing a large number of disparate data in a systematic fashion and drawing conclusions from them is Smith's forté.

Charles and I depart even from the second group of contrarians in our belief that the system is beyond fixing. The present world order must, in his phrase from an earlier book, "run to failure" before it will admit to fixing. He would say

humanity must pass through a "wormhole" – a nice word for catastrophic collapse – before we will be free to reassemble our civilization and our economy in some rational way.

*Galbraith wrote:*

*People of privilege will always risk their complete destruction rather than surrender any material part of their advantage. Intellectual myopia, often called stupidity, is no doubt a reason. But the privileged also feel that their privileges, however egregious they may seem to others, are a solemn, basic, God-given right. The sensitivity of the poor to injustice is a trivial thing compared with that of the rich.*

Though Smith is contrarian, there are issues even he chooses not to address. One of those issues is human biodiversity. This study is the outgrowth of the work by sociobiologists such as EO Wilson. As these scientists investigate the human population they come to some strong conclusions which do not bode well for the human species. Different human populations have different characteristics. The most notable differences are in intelligence and temperament. These differences are highly heritable, which means that programs of adoption or immigration are not going to change the nature of the people being adopted into a new family or a new country. Smith also does not delve into the great body of work on the irrationality, which is also in large part an outgrowth of the sociobiology / evolutionary psychology school. Human beings are systematically irrational. We evolved that way. We are unwilling to analyze complex issues because our brains are simply programmed to find simple solutions, which are much less taxing to our limited mental capacity. We like to believe in myths. While the current-generation avidly dismisses the myths associated with religion, they are more than happy to accept the popular myths of this era concerning the equality of the sexes, the benign impact of homosexuality, the proposition that a catastrophic climate change is upon us.

There is a question of whether we have evolved past tribalism. Smith would like to believe that we are altruistic, we will all work for the common good. Experience shows that we remain tribal. We stick with our own kind. This has always been favored by evolution. When there were not of resources to go around, the only logical thing to do is to support your own genome against others. The non-adaptive evolutionary trait in modern Western societies is to extend the notion of altruism, which was highly useful as European communities coalesced into states and nations, to the whole world. If all are favored, none are favored. And, since only we authors of this universalism seem to practice it, we put ourselves at a disadvantage vis-à-vis the rest of the world.

Evolution is thus the factor left out of the equation. Arthur Keith understood this, in *Evolution and Ethics* published in the 1940s. Liberalism, Christianity and evolution are fundamentally at odds with one another. Christianity has faded since his time, but liberalism is rampant.

Smith's thesis rests on a few liberal assumptions. The first is that people are generally intelligent enough to recognize their own self interest. The second is that bodies of citizens entrusted with decisions such as awarding credit, expanding the money supply and such can be expected to act in the public interest instead of their own. He posits that citizens capable of managing the organs of society can be incentivized to serve the public good rather than their own private goods.