

## **“Commercialism and ‘End of Times’ Economics”**

Capitalism is characterized primarily by three types of economic agents: Owners (investors) and workers (consumers); the third agent, government, operates as a regulator. Each agent makes economic decisions that are in their own best interest. In a Keynesian world, government serves as purchaser of last resort when consumer demand is weak. In the SocCap (a mix of socialism and capitalism) Democracy that has evolved in the U.S., owners identify products to sell, then use advertisement to create consumer demand for those products—whether the products are in the best interest of consumers or not. Under certain conditions, government, due to organized rent-seeking by investor/owners, serves as financier for investors/owners and as their guarantor of sufficient demand. Therefore, consumers’ deliberative power to operate independently and to make rational choices on their own behalf has been reduced.

This economic arrangement is epitomized during the last quarter of each calendar year. The psychology of an “end of time” or “end of the period,” drives owners and consumers to race to earn and spend as if there were no tomorrow. This “bunching” behavior can be destructive because, often, it is irrational.<sup>1</sup>

Man has been on planet earth probably longer than we suspect. Yet, the Judeo-Christian-Islamic religions call for an “end of time” when all will be destroyed—save the righteous. With that as background, we fashion our lives as if all is going to end. Therefore, we earn and spend it now—before the end. Such a mentality also causes reckless behavior when it comes to deciding on natural resource use and on developing the implements of war.

The reality is that, even when we die, those that we love and leave behind can continue earning and spending. They will need a healthy earth on which to live. Most importantly, our production of cataclysmic/apocalyptic weapons can create a self-fulfilling prophecy—bringing on the “end of days.”

As you head into the holiday season this year, consider not succumbing to the “end of time” mentality. Recognize that time goes on after December 25<sup>th</sup> or 31<sup>st</sup>. Make good long-range strategic decisions for yourself and for your posterity. Earn and spend to obtain the goods and services that you **need** today, yet **save** for an eternal tomorrow. Adopting this type of behavior will enable you to make better, more rational choices, and place owners and consumers back into a framework that is consistent with the principles that originally guided our economic system.

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<sup>1</sup>The “end of time” phenomenon also drives intra-year choices. Corporations must report their earnings quarter, and they have a history of making irrational, short-sighted decisions in order to issue favorable reports at the end of the quarter.