

Florian Galler
Psychonomic Newsletter, Sep 5, 2012

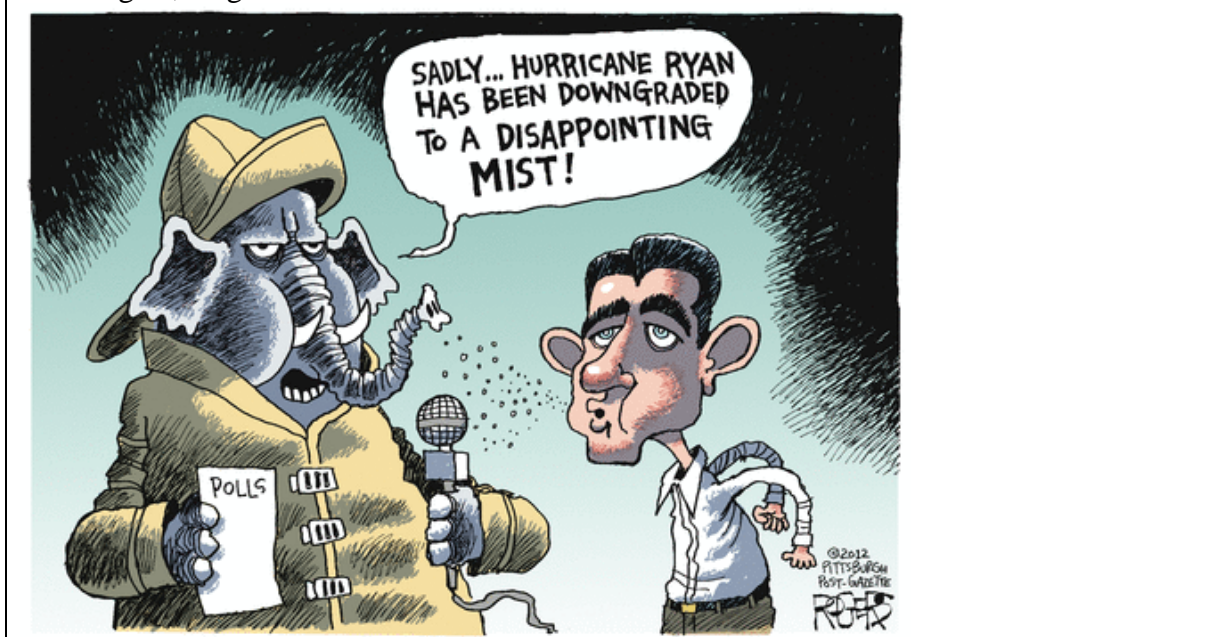
Dow Jones Industrial Average (DJIA), Feb 22 2005 to Sep 4 2012



„The pain is very great“

I think, many major countries are principally headed in the right direction. Consequences from the failure of neoliberalism and neoconservatism are drawn and large parts of the media and the people are able to stay firm when confronted with demagogical impertinence. So after Republican vice presidential candidate Ryan had addressed the Republican National Convention on Aug 29 many people remained unimpressed and in Yahoo a typical article on this speech had the title „FACT CHECK: Ryan takes factual shortcuts in speech“

Rob Rogers, Aug 29 2012



If we can maintain our current state of reasonability the chances for growth are considerable if you take into account that we have 5 years below the growth potential behind us which could give the economy a boost once confidence in a lasting reasonable future is re-established.

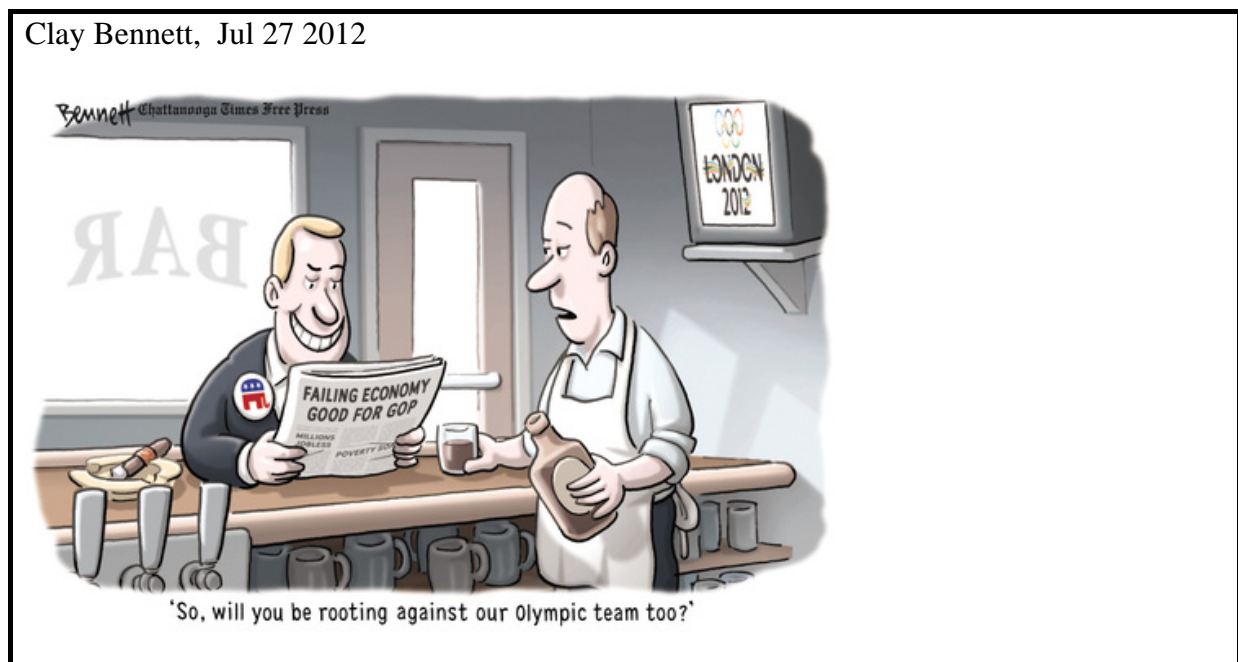
Having said that we are headed in the right direction we should also be aware that our dissociated personality parts which I call alter egos might be in a state of despair. Just that what is good for growth frightens our alter egos because it means diminished acting out of our traumatic feelings of rage, anxiety, guilt and shame in politics. In reasonable periods when alter ego politics are pushed back by reasonable politics which are in the real existential interest of our reasonable personalities this progress regularly will be threatened by a political backlash in the interest of our alter egos. Then the agents of our alter egos in politics are able to convince our reasonable personalities in a demagogic way to support policies which in fact can be severely detrimental to our real existential needs.

This happened twice (see arrows in chart above) during the term of the Obama administration. First in Summer 2011 when the Republicans in Congress, led by their ideological leader Ryan, managed to push the US federal government to the brink of sovereign default. The second time was in spring 2012 when the US Supreme Court threatened to declare Obamacare unconstitutional which would have meant a throwback of the US political and economic system to a state before the New Deal. Both cases were no good news for the economy and the stock market investors because such developments are not a basis you would build a longterm confidence on in a reasonable political environment as a prerequisite for a lasting economic growth. The same is true in the case of a Republican election victory in November.

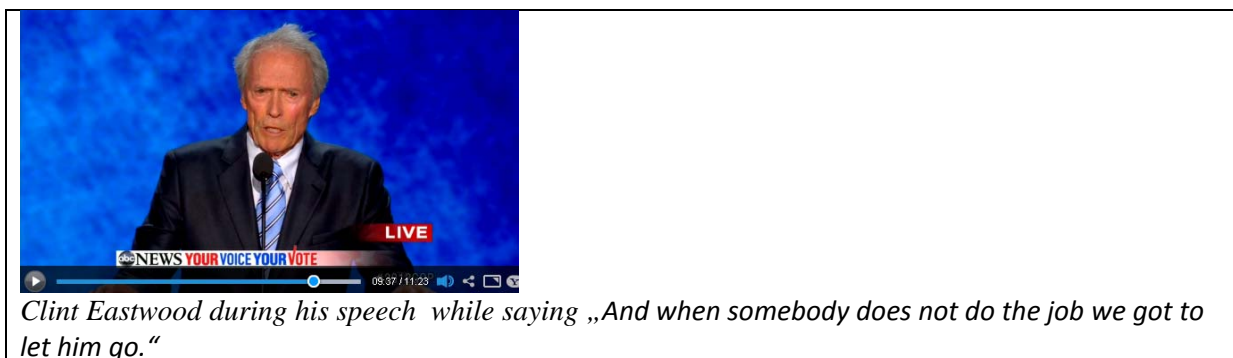
Jim Morin, Aug 14, 2012



Clay Bennett, Jul 27 2012



Just because future chances for lasting growth look pretty good at the moment the danger for a political backlash is correspondingly high because our alter egos might be in a state of despair. Clint Eastwood's speech during the Republican National Convention can be understood as an indicator for such a despair when he made a throat-slitting gesture and expressed a regicidal wish towards Obama: „Eastwood tried to make the Romney campaign's case when he said: ‚When somebody does not do the job, we've got to let them go.‘ The applause hadn't stopped when Eastwood made a throat-slitting gesture and added: ‚I'm speaking out for everybody out there. We don't have to be mental masochists and vote for somebody we don't really want in office.‘ (Clint Eastwood's strange address to invisible Obama at RNC; The Ticket, Aug 31, 2012) By the way the testimony of one of Eastwood's alters' regicidal wishes could well influence a psychotic person who is always hearing voices to execute the need of „everybody out there“.



Clint Eastwood during his speech while saying „And when somebody does not do the job we got to let him go.“

Our reasonable personalities seem less and less inclined to succumb to the needs of our alter egos. Therefore the latter might be inclined to intimidate our reasonable personalities, for example by a war, by vast budget cuts or an economic slump. Since last Summer the US Republicans seem to have lost the capability to exploit an existing backlash propensity among the population. They just do not seem able to come through with their arguments anymore.

Therefore it took the Supreme Court as an exogenous instance in spring 2012 to unleash the second backlash. Because the justices are elected for life-time they have to take less regard for the public discourse than politicians. If the endogenous pressure from our alter egos is big enough a backlash might also start from within the political system and the media. As an exogenous instance Israel comes into question. Their neoconservative government seems to be eager to start a war against Iran before the US election. They have a similar constellation as in the USA and in many other countries. Hitherto accepted alter ego politics become dubious. So for example on Aug 29 „Israel court orders evacuation of settler outpost“ (AFP) and when this order was executed on Sep 2 you could read „**The pain is very great**“:

Settlers evacuated from large West Bank outpost

By ALON BERNSTEIN | Associated Press – / Sep 2, 2012



Associated Press/Sebastian Scheiner - Israeli police officers evacuate a Jewish settler from the roof of a structure in the unauthorized West Bank Jewish settlement of Migron. Sunday, Sept. 2, 2012. Israel ...more

Israel completed evacuation of a large unauthorized West Bank settlement outpost on Sunday, culminating years of legal wrangling in a case that has become a rallying cry for hardline settler groups opposed to any withdrawal from occupied land claimed by the Palestinians...

"The pain is very great," said longtime settler leader Pinchas Wallerstein on Israel Radio. But Migron settler spokesman Itai Hemo told Army Radio that "there are many paths to victory," vowing Migron's evacuation would lead to two new settlements.

English Proofreading by Rudy Weiler (www.rweiler.ch)