## **EXECONOMICS**

# Big Bro. Meets Green Fascism: Paying by the Mile To Drive

by John Hoefle

July 10—While attempting to divert our attention with soap operas about the "recovery" of the dead financial system and other nonsense, the financier oligarchy of the Anglo-Dutch Liberal empire is moving to put a replacement for that failed system in place. One of the elements of this new system is an emerging corporatist feudalism, centered around making speculative profits from ordinary, everyday activities. We see this most clearly in the oil markets, where speculation by financial parasites—not supply and demand—determines the price people must pay for their gasoline. We see it, too, in the electricity markets, where deregulation has allowed the parasites to worm their way between the producers and consumers.

As the effects of the death of the old financial system manifest themselves, a push is on by the empire to privatize America's infrastructure, to turn it into a "profit center" through which to loot the population. Schemes are afoot to privatize roads, bridges, and public water and sewer systems, so that the financier oligarchy can steal a larger chunk of every dollar Americans spend on the necessities of life.

The goal is not merely to make money, but to impose control over pricing and supply, in such a way that shortages occur and prices soar, as a way of making money while downsizing both the economy and the level of population. It is basically a return to the lords and peasants model of the feudal era, but mediated through a modern corporate—and corporatist—cartel structure.

#### Pay More, Get Less

A prime example of this fascist intent can be seen in a report issued earlier this year which calls for replacing the gasoline tax, with a tax on miles driven—effectively turning all roads into toll roads—while at the same time implementing a system to track everyone's travel. Call it Big Brother meets Green Fascism.

The report, entitled "Paying Our Way, A New Framework for Transportation Finance," was issued in February by the National Surface Transportation Infrastructure Financing Commission (NSTIFC, or Finance Commission). The Commission was created by the "Safe, Accountable, Flexible, Efficient Transportation Equity Act; a Legacy for Users," or "SAFETEA-LU," transportation act of 2005, to study the issue and produce this report.

The Commission report starts with the false assertions that "our system is underpriced," and that "users and direct beneficiaries" should "bear the full costs of using the transportation system." Under the current system of fuel taxes, the report claims, "users do not bear anywhere near the full costs of their travel; and fuel taxes have no direct link to specific parts of the

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the tax on gas, with one on miles driven, would, effectively, turn all roads into toll roads, and use the same system to track everyone's travel, i.e., combining speculative profits with Big Brother control.

Shown: a toll road on the New Jersey Turnpike.

A proposal to replace

Creative Commons

system being used or to the times of day, and thus cannot be used to affect these kinds of traveler choices."

The language makes it clear that the goal is not merely to increase revenue, but also to use pricing to

change the behavior of the travelers. As in, if you insist upon driving during rush hour on congested roads, expect to pay more. This is the same sort of thinking that is reflected in the schemes to charge homeowners higher prices for electricity, if they run their air conditioners on hot Summer days: namely, social engineering aimed at enforcing austerity. Rather than improve the infrastructure, the plan is to price people out of the market while letting the existing infrastructure decay.

The Commission recommends, as a replacement for the current fuel tax, "a charge for each mile driven (commonly referred to as a vehicle-miles-traveled or VMT fee system) ... as the consensus choice for the future." This VMT system should, it added, provide "a foundation for state and local governments that choose to use it to develop their own mileage-based systems that piggyback on the Federal system in order to raise their share of needed revenues in ways that spur more efficient use of the system."

Furthermore, the commission states that the technology used to track vehicles for the Federal program should be designed "in anticipation of the potential for state, local, and private toll roads to piggyback on the national system," and recommends "actions to facili-

### Dana Levenson on Privatization

Levenson, the Royal Bank of Scotland banker and former Chicago's chief financial officer, is an unabashed cheerleader for turning over public infrastructure to private interests. In a 2007 interview with *Governing* magazine, said he believed that states and cities have an obligation to consider selling their assets.

"Absolutely," he said. "With as much money as is amassing in these funds, I can't imagine anything less intelligent than dismissing it out of hand.... It comes down to a matter of how willing should states and municipalities be to unlocking the value that happens to exist in their portfolios—even though they may not have looked at their entities as portfolios in the past."

"We're shifting the financial risk to a private operator, while at the same time never losing use of the asset," he said. "It's not like the Spanish and the Australians will pick up the road and go away with it."

RBS has estimated that some \$175 billion has been raised for purchases of government infrastructure assets, and that, with leverage, that provides some \$700 billion of "investment" capacity.

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tate and encourage private-sector financial participation ... as private capital can help deliver more projects and thus play a role in helping to address the investment gap."

"Ideally," the report says, "such systems should also incorporate in-vehicle or after-market Global Positioning System (GPS) devices." "Specifically, these designs center on the use of an on-board unit (one in each vehicle) that would contain a GPS receiver that receives satellite signals enabling it to calculate vehicle location in real time."

While the Commission pays lip service to protecting privacy, the plan represents yet another step in the direction of a total Big Brother surveillance society,

## National Surface Transportation Infrastructure Financing Commission

#### Chairman

Robert D. Atkinson: President, Information Technology and Innovation Foundation, Washington, D.C. Former director of the Progressive Policy Institute's New Economy Task Force, co-chaired by Tom Daschle; former executive director of the Rhode Island Economic Policy Council. Atkinson's career has been in promoting the information age and privatization.

#### Vice Chairman

Martin Shultz: Vice President, Government Affairs, Pinnacle West Capital Corporation, Phoenix, Ariz. Pinnacle West is the parent of Arizona Public Service, an electric utility.

#### **Members**

- **Donald F. Carmody:** Director, Two Rivers Financial Group, Mount Pleasant, Ia.
- Jeffrey C. Crowe: Chairman of the Board, Landstar System, Inc., Jacksonville, Fla. A past chairman of the U.S. Chamber of Commerce, and chairman of the National Defense Transportation Association from 1993 to 2003. He was *Financial World* magazine's Transportation CEO of the Year in 1995.
- Mark B. Florian: Managing Director, First Reserve Corporation, Greenwich, Conn., a private equity firm. Prior to joining First Reserve in 2009, he was the head of the public-private partnership infrastructure and toll-road looting at Goldman Sachs.
- **Bryan Grote:** Principal, Mercator Advisors, LLC, Mount Airy, N.C., a firm which consults on infrastructure privatization.

Bill Kennedy: County Commissioner, Yellowstone

- County, Billings, Mont. Past chairman of the Montana Transportation Commission.
- Michael J. "Mike" Krusee: Representative, Texas House of Representatives, Austin. Krusee authored the bill which authorized the Trans-Texas Corridor public-private toll-road and transportation project.
- **Craig Lentzsch:** Chairman, American Bus Association, Dallas, Tex. Lentzsch is the retired president and CEO of Coach America, and the former president and CEO of Greyhound Lines.
- Dana R. Levenson: Managing Director and Head of North American Infrastructure Banking, The Royal Bank of Scotland, Chicago, Ill. A career banker, Levenson was appointed chief financial officer for the city of Chicago in 2004, and helped push through the sale of the Chicago Skyway and the long-term lease of several city parking garages, all to private interests. Now, at RBS, he pushes and finances privatization deals.
- **Adrian Moore:** Vice President for Research, Reason Foundation, Los Angeles, Calif. The Reason Foundation is Libertarian think tank which pushes privatization and drug legalization.
- **Kathy Ruffalo-Farnsworth:** One of the drafters of SAFETEA-LU, the legislation which created the Financing Commission. She is also a lobbyist for several transportation groups.
- **Elliot G. Sander:** Former Executive Director and Chief Executive Officer, Metropolitan Transportation Authority, State of New York.
- Zack Scrivner: City Council Member, Bakersfield, Calif. Chairman of the finance committee of the Young Republican National Federation, and a National Committeeman of the California Young Republicans.
- Geoffrey S. Yarema: Partner and Infrastructure
  Practice Group Chair, Nossaman LLP, Los Angeles,
  Calif. Nossaman is a member of the U.K.-based
  Bridge Group, a network of law firms in the U.S.,
  U.K., France, and Belgium.

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The Financing Commission, whose website is pictured here, calls for "users" of transportation systems to "bear the full costs" of its use, by imposing a "pay-by-mile" system. Commissioner Dana Levinson is a leading promoter of privatized infrastructure.

with Britain as the model. Any safeguards will be quickly bypassed, as we have seen time and time again.

#### 'Criminally Insane'

"The authors of this report are both clinically and criminally insane," observed Lyndon LaRouche, who added that we should, as a public service, identify the members of the Commission (see box).

The whole idea is a fraud. Were the goal simply to raise revenue, it would be far easier and cheaper to raise the fuel tax—after all, we already have a system in place to collect it. But instead, a vast and costly new bureaucracy is being recommended, a system that would be highly inefficient for the purpose of collecting revenue, and has ominous implications for social control. It is, like cap and trade, a Trojan horse for the planned global fascist dictatorship, and part of the mechanism for genocide.

From an economic standpoint, the Commission proposals are completely incompetent, and staggering in their stupidity. Though it has become increasingly common to do so, only idiots view transportation sys-

tems, or any other physicaleconomic infrastructure, as a "profit center." The purpose of infrastructure is to make society as a whole more efficient and productive, with the cost of such projects being paid by the increase in economic activity they generate. Charging citizens high fees for the use of the transportation grid may seem to some like "fiscal responsibility," but what it really does is make the economy less efficient, and reduce beneficial economic activity.

#### **Stop the Genocide**

As we have said before, the overall policy of the Brutish Empire is genocide. Its policies are designed to cause a sharp reduction in the world's population, as a way of eliminating the challenges to imperial control that come from

human progress.

The way to stop this obscene and criminal empire is to beat it with what it fears most, scientific and technological progress, to lift humanity into the nuclear age and beyond. Lyndon LaRouche has boldly acted, laying out a plan for putting the financier parasites and their monetary system through bankruptcy, and protecting the population while we launch a new global Renaissance. The plans are in place, the concepts behind them explained, the need for action clear. What are we waiting for?

The Obama Administration has no answers—its policies are failing on all fronts, so openly that even its controllers in London are beginning to worry. The nation is breaking apart, economically, politically, and culturally. Health care is being cut, with Social Security next. Governments at all levels are bankrupt and slashing spending. We are losing jobs at an unprecedented rate, and spending trillions on the bailout, as the nation collapses. And these idiots propose to reverse this by charging us more to drive our cars? Forget that—it's time for LaRouche.

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