

OCCUPY MOVEMENT

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THE OCCUPY MOVEMENT NEEDS A CLEAR OBJECTIVE

The Occupy Movement is an international protest movement primarily directed against economic inequality.

The seminal event that led to the creation of this movement was the Global Financial Crisis that began in 2007, which was caused by irresponsible banks making risky home loans to people in the US subprime mortgage market (encouraged by the US government to do so).

Many mortgage holders handed the keys of their homes to the bank and walked away from their mortgages when the US housing bubble burst, as their homes were now only worth a fraction of the mortgage value.

This resulted in many banks around the world becoming insolvent or dangerously close to insolvency, forcing governments to organize taxpayer funded bailouts to prevent the collapse of the international banking system.

This caused the stock market to go into freefall and a massive loss of consumer confidence, resulting in many businesses laying off workers, driving up unemployment.

The government bailouts prevented an economic catastrophe like the Great Depression, though many are unhappy that irresponsible bankers kept their well paid jobs while many ordinary people lost theirs - socialism for rich capitalists and capitalism for the rest of us!

The government bailouts helped most banks survive, but now many governments are in trouble, with many



having accrued so much debt through irresponsible fiscal policies and bailouts that they are in danger of defaulting on their loans, as the economic downturn hurt government revenues and thus their ability to maintain expenditures at current levels for their public health care systems, wages for a civil servants, the old age and disability pensions, unemployment benefits, etc.

If governments default on their loans some major banks will fail, endangering the international financial system.

Governments which are not fiscally responsible or fail to regulate their financial sector will invariably have serious problems in an economic downturn when their fiscal fragility is exposed, when it may be too late to avert an economic disaster.

The solution is simple, namely the introduction of a transparent financial system

guided by one clear principle, namely 'fiscal responsibility' (at home and abroad), a concept few nations take seriously, with the notable exception of Switzerland.

Switzerland has the best economy in Europe as it has the most democratically accountable government, thanks to direct democracy in the form of citizen initiated referenda (CIR).

One cannot impose a financial system on other nations, rather citizens must ensure their government acts responsibly and works with other governments to help protect the international financial system.

The best way to ensure this is with increased democratic accountability in the form of Swiss style direct democracy.

We need more democracy, not socialism or fascism. If we don't believe in democracy we are part of the problem.

SUMMARY OF FINDINGS

- Unclear objectives render the Occupy Movement a paper tiger that cannot achieve mass support.
- A simple and positive message that furthers the cause of social justice can energize the movement.

RECOMMENDATIONS

- Make Swiss style direct democracy the only legislative objective.
- Find examples of social injustice and state crimes or indifference to garner popular support for direct democracy.

FURTHER READING

Boomerang: The Meltdown Tour, Michael Lewis, Penguin, 2011.

Direct Democracy (IIB-DD 04/08), Richard Lutz, HRCA, 2008.

