

The Paradise Papers

by Bill Herbst

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What is being called “The Paradise Papers” was recently made available to the press and the public — 13.4 million electronic documents containing names and financial information about 120,000 people and companies that concern offshore investments and tax havens for sheltering money. Among the individuals named is the Trump administration’s Secretary of Commerce, Wilbur Ross, one of numerous billionaires Trump has appointed to his cabinet. This is a significant tell about Robert Mueller’s investigation into any coordination between the Trump campaign and the Russian government.

Through all the endless discussion and hand-wringing about Russian inference in the 2016 Presidential campaign, I’ve assumed that to be, at least in part, a red herring. Do I think the Russians did nothing to influence the election? No, I consider their successful attempts at muddying the waters for American voters to be an obvious truth. And why not? America has been interfering in foreign governments, most often covertly, since the Cold War began after the end of World War II.

Espionage has always existed, of course. The CIA has fomented coups and overthrows time and time again throughout the world. That’s how powerful countries operate. Why wouldn’t the Russians take a crack at us? The main difference in the Russian “meddling” in our 2016 election is the way they did it, not with spies on the ground or through military means, but with sophisticated hackers sitting at computer monitors. Cyber attacks are cheap and effective. Hacking is not only a massive criminal enterprise, but it’s also the new asymmetrical mode of warfare in the 21st century and will increase dramatically as time goes on.

The internet is also the way that money and power operate in this century, and — more than Russian interference — that’s the real bombshell lurking within the Mueller investigation. The elites in every country make their money and maintain their power in many ways, but online manipulations are central to their activities — legal or illegal, overt or cloaked, ethical or not. The rise of the global economy during the 1990s brought with it infinitely greater ease for the wealthy of the world to become interconnected in pursuit of ever-greater riches.

The worldwide web isn't just a phrase — it truly is a complex web that allows the richest people and companies in the global financial marketplace to connect and interact from the comfort of their plush office towers, and it knows no boundaries or borders. Politics and ideologies do not separate the ultra-wealthy. They congregate and collude on the web. That's how Big Business is done these days. Money moves digitally now, and does so instantaneously, at a keystroke.

As a candidate, Donald Trump refused to release his tax returns for public scrutiny, and for damned good reason. Had voters learned how Trump made and maintained his fortune, his chances of being elected would have evaporated. As President, Mr. Trump has consistently denounced the Mueller investigation as a "witchhunt" and maintained that he is utterly innocent of having colluded in any way with Russia. I doubt that he fears indictment for that. What terrifies Trump, however, (or so I believe) is disclosure of the financial corruption that has been standard practice over his entire life and career. To say that Donald Trump and his cronies are shady characters is a massive understatement. How could Trump continue to sell his snake-oil populism to the suckers if he's revealed to be a thief? Richard Nixon famously told the American public, "*I am not a crook.*" Trump makes Nixon look like a minor-league piker.

Trump's problem is that the Mueller investigation has expanded beyond the limited issue of collusion with Russia to include sweeping powers to bring federal indictments for *any* illegalities Mueller's team unearths. The old adage to "Follow the Money" has become the compass of the Mueller investigation, and that leads directly to the dark heart of what ails us.

Hollywood's Oscar-winning Best Picture of 1976 — "Network" (scripted by Paddy Chayefsky) — was brilliantly prescient in describing our current situation. In the movie, Howard Beale (played by Peter Finch, in his last role before he died), the evening newscaster of a fictional television network called UBS, goes bonkers and raves on air about being fed up with all the bullshit (in a way that is eerily similar to the current "populist" movements in politics). He urges viewers around the country to shout "*I'm mad as hell, and I'm not going to take it anymore!*" Beale emerges as a media sensation, then morphs into the "Mad Hatter of the Airwaves."

The plot takes an even stranger twist at the beginning of Act II of the movie when Beale is lectured by Arthur Jensen (Ned Beatty), the Chairman of the corporate conglomerate that owns UBS, about the way the modern world works:

You are an old man who thinks in terms of nations and peoples. There are no nations! There are no peoples! There are no Russians! There are no Arabs! There are no third worlds! There is no West! There is only one holistic system of systems, one vast and immane, interwoven, interacting, multi-variate, multi-national dominion of dollars — petro-dollars, electro-dollars, multi-dollars! Reichmarks, rubles, rin, pounds and shekels! There is no America. There is no democracy. There is only IBM and ITT and AT&T and Dupont, Dow, Union Carbide and Exxon. Those are the nations of the world today. It is the

international system of currency that determines the totality of life on this planet! That is the natural order of things today! That is the atomic, subatomic and galactic structure of things today!

What do you think the Russians talk about in their councils of state — Karl Marx? They pull out their linear programming charts, statistical decision theories and minimax solutions and compute the price-cost probabilities of their transactions and investments, just like we do. We no longer live in a world of nations and ideologies, Mr. Beale. The world is a college of corporations, inexorably determined by the immutable by-laws of business. The world is a business, Mr. Beale.

At the time of "Network's" initial release in 1976, many viewers felt that "Network" was cynical and way over-the-top, even as a satire. But 41 years later, here we are, living in that reality. Corporations have taken over, and the ultra-wealthy are no longer simply rich, but phenomenally, obscenely rich. The middle class has shrunk dramatically, wages remain stagnant, and those of us in the bottom half of the economic pyramid live in danger of being thrown under the bus. Trump's campaign promise to "drain the swamp" in Washington, D.C., was, I think, meant to imply dismantling of the federal bureaucracy, but his populist message to voters was belied by Trump's subsequent filling of his administration with billionaires. That makes sense, of course, since the only value that Trump recognizes is monetary wealth. His version of the "best and brightest" means those who have amassed the biggest fortunes. Anyone who is surprised by that, however, hasn't been paying attention.

I don't know what to hope for regarding the Mueller investigation. Mueller's pit-bull doggedness is likely to unearth a nearly bottomless pile of financial dirty laundry, and the chances of Donald Trump coming out of those revelations smelling like a rose seem to me very slim.

I worry that, as the noose tightens, Trump will do something to escape, perhaps by firing Mueller or otherwise blunting the investigation, or maybe by issuing mass pardons to his cronies (or his family). Talk of the "constitutional crisis" such moves would provoke doesn't inspire me with optimism. If Trump goes down and is removed from office by resignation, impeachment, or the 25th amendment, the mere thought of President Mike Pence fills me with dread.

Is there any outcome where the country wins? I don't know.

In other political developments, the Democrats did extremely well in this November's off-year state elections, making a near-sweep in blue and purple states, such as New Jersey and Virginia. That may be because of hard work by the party in getting out the vote, but I imagine it was at least in part a referendum on Mr. Trump, the first chance for the resistance (especially among suburban women) against Trumpism to get a taste of revenge. In the Virginia House of Delegates, Republicans previously held 66 of 100 seats, but Dems have

come very close to taking back the House (and may yet do so), something no one imagined possible. What's important, however, is not that so many seats changed parties, but who won them — eleven women, of whom two were Latina and one was transgender. All were first-time candidates (rather than career politicians), and all the Republicans who were defeated were men. Now *that's* what I call a populist revolution.

Whether the Democrats' victory indicates a wave that will build into the mid-term elections in 2018 remains to be seen, but the Virginia results especially are significant in terms of real people in the American public who become activists, then candidates, then legislators. I don't know if that means that there may truly be hope for us, but it's a good sign. No, it won't stop climate change or endless war (including nuclear), it won't put an end to technology madness, the consumer culture, or extreme wealth inequality, and it won't diminish the nefarious activities of the Deep State, but it's one small step forward for humanity toward overcoming the tribalism that divides us.

Diversity, tolerance, and gender equality aren't just some dopey side issues in what's derisively called "identity politics." They are necessary revolutions that must succeed if humanity is to have a snowball-in-hell's chance of saving itself. Sure, any of the other dilemmas mentioned above might do us in regardless, but we've got to start somewhere, and every step in the right direction is worth taking.