

The Wolves of Psycho Street: America's Economic Enslavement by the Psychopathic Corporate Elite – Part II

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Today it is not so much that people believe our CEOs and politicians act without empathy or compassion regarding the well-being of average citizens, especially towards those in dire poverty, but rather whether or not our entire system is psychologically deranged.

Psychopathology has become fully institutionalized as a legitimate way of doing business and making policy decisions. The Supreme Court decision on Citizens United, which ruled that corporations and banks are “persons,” was a further step infecting our entire politics and society with a serious mental disorder that has steadily contributed to the US's widening inequality gap, class struggle, and Americans' loss of democracy and freedom of speech.

Joel Bakan is an internationally recognized legal scholar at the University of British Columbia specializing in Constitutional and economic law. The award-winning documentary film *The Corporation* was based upon his bestseller *The Corporation: The Pathological Pursuit of Profit and Power*. When I last spoke with Professor Bakan, I asked him about the kind of corporate personality the Supreme Court ruled in favor of. “The corporation,” he said, “is legally programmed to always serve its own interests. Its directors and managers have a legal obligation always to put the financial interests of shareholders above all other interests. It breaks the law with impunity if it can get away with it.”

The problem lies less in the fact that Wall Street and multinational presidents and CEOs are psychopaths. Rather according to Bakan, “we've created an institution that attracts psychopaths and that incentivizes psychopathic behavior.” If we can imagine putting JP Morgan or Monsanto on the shrink's couch, analyze the way these firms think and function, how they are programmed, they would be diagnosed as psychopathic. Bakan believes this is the current

state of private industry. A bank's collective control and power is unfathomable to the average person. Executives believe they are untouchable and their astronomical wealth enables them to act with complete freedom and without regard for the consequences of their actions.

Dr. Bayer takes these firms' socio-political dominance further. "Corporations existentially are like feudal fiefdoms," he said. "They are countries with regulations and laws unto their selves. International corporations can commit crimes and do certain things, and then relocate their headquarters and be off the hook in terms of legality, extradition, and penalty."

Back in the late 19th century, large industries, such as the railroad and telegraphy companies, discovered that being thoroughly self-centered was an effective way to raise huge capital to expand and further develop productivity. However, to keep the industrial moguls such as the Rockefellers and Carnegies within bounds, the government instituted a regulatory system. Joel Bakan explained that this was a way to "hedge it in by all the different laws that ensure that these industries don't overrun public interest in having a health society, clean environment, and human and workers' rights."

With the election of Ronald Reagan, the regulatory system began to be dismantled while leaving the inherent psychopathology of these corporations not rehabilitated. When Glass-Steagall was repealed and the Future Commodities Trading act was approved under Bill Clinton by psychopathic financial giants in his administration, "we basically let the psychopath off its leash," says Bakan. "We've let it run amok. We've taken away all the constraints that were in place." The illusion that deregulation would improve the economy from the top down is as irrational as giving a crack addict more cocaine to reduce his habit. Now Wall Street firms and large corporations can essentially self-regulate, which is the same as saying there is no regulation at all. Bakan poses the question, "would you ever ask a psychopath to self-regulate himself?" But that is exactly what we have today and the consequences are self-evident as we witness the erosion of Constitutional rights and the emergence of a distinctly postmodern

police state indoctrinated to protect corporate interests over the needs and demands of the American public.

The idea that Wall Street and policy experts surrounding the president are among the “best and brightest” in America is a deceptive ruse of propaganda spin. When Dr. Bayer applies his evaluative model to his Wall Street patients, the bottom line is that the revenues they generate and who they succeed in influencing in order to protect the firm’s interests is all that matters. The prestige of a person’s alma mater, ZIP code and family background is of little consequence. Speaking about Manhattan’s financial community, he described it as “an insane den of elitism and money mongrels, frankly, and people are competitive and actually believe they are special.”

The TARP and subsequent taxpayer bailouts of the banking industry during the Bush and Obama administrations may be one of the largest economic crimes ever committed by American presidents. These bailouts are indicative of just how dysfunctional and subservient to the power elite our nation has become. Since the 2008 derivative collapse, the economic gap has steadily widened and the middle class is sinking to its lowest point in history.

British epidemiologists Kate Pickett and Richard Wilkinson have shown that there is a strong correlation between a nation’s unhealthy obsession with economic growth and swelling inequality. This in turn has led to a cascade of social crises, increasing the incidence of scourges including mental illness, violence, addictions and much more. And it has been the richer countries, particularly the US, which have been overrun by an oligarchic, corporate elite who believe austerity is a solution towards economic stability. Joel Bakan holds the view that “Societies that have large disparities and inequalities of wealth are societies that quickly become dysfunctional. There is a pathology behind inequality; that is, when people have the power of wealth they don’t feel the necessity of being tied to community. And when they don’t feel that necessity, they lose their natural sense of empathy, which I think in a way is a survival sense.”

“In part, we’re empathetic,” Prof. Bakan continued, “because we understand that we may be in a bad position some day. We may be diving in dumpsters. So we need to create a society that ensures that people aren’t diving in dumpsters and that when people fall through the cracks, they’re protected because we may be there some day.”

“But when you’re very rich and powerful, you don’t believe you may be there; so, it makes sense that you would lack that sense of empathy. And when you look at the austerity measures in Europe and increasingly in North America as well, the morality behind it is disgusting.”

What is even worse is that these same psychopathic corporatists serve as the primary advisors to the President and elected officials. At the state level, the GOP aligns readily with the Koch Brothers, perhaps two of the most ideologically fanatical individuals in the US’s billionaire club. The same can be said for many of the advisors who revolve through the circular door between Washington and Wall Street.

Several years ago I interviewed and filmed Jordan Belfort, the former stock trader portrayed by Leonardo DiCaprio in the movie *The Wolf of Wall Street*. Belfort spoke about the insanity behind the lack of ethical decisions rampant throughout the financial industry and the instant gratification of a select elite who are willing to destroy everything for short term profits in order to accumulate massive amounts of wealth. Belfort shared one noteworthy example: the former Treasury Secretary Robert Rubin who “lobbied to ease limits on derivatives and was instrumental in getting derivatives traded on Wall Street in an aggressive way.” What does Rubin do after completing his stint as a politician in Clinton’s administration? “When no longer Secretary of Treasury,” Belfort continues, “he goes down to Wall Street, gets on the board of Citibank, convinces them to plunge head first into these derivatives that he just deregulated and makes \$500 million by most accounts. And then he bankrupts what was once the largest bank in the world.” To this day government officials have not made any effort to investigate and indict Rubin for reckless, unconscionable behavior. His foolhardy acts have devastated the

livelihoods of countless people. A common psychopathic criminal would be placed behind bars immediately for far less misconducts than Ruben and his Wall Street cronies.

The sickness behind the entire system is that it rewards such behavior and patronizes the ability to create power and wealth rather giving preference to efforts that raise the standards of living for everyone, in particular those who have minimal opportunities for social progress without the assistance and protection from government. However, the problem is more systemically entrenched than simply having a bunch of psychopathic personalities sitting in high executive positions. Joel Bakan has explained that “the problem is not so much that we allow people to get away with breaking the law. It’s that we create laws that allow people to get away with doing things that are horrific. And what I mean by that is that it takes us back to the issue of how deregulation combines with the law of the corporation. The law of the corporation basically says it is your legal duty to exploit and to plunder in order to create wealth for your shareholders. The law of the regulatory state used to say, “but you can’t do this or that.” It no longer says that. So, in effect, what used to be illegal behavior that is certainly morally wrong, whether it meant creating unsafe environments for workers, creating an unsafe factory or insider trading are no longer illegal.”

“It is law and order for poor people who might steal a popsicle from a corner store. Three strikes and you’re out. But for corporations, the legal restraints on their activities have been diminishing rapidly since the 1980’s, and our entire political culture is hostile to the notion that government should regulate corporations with well enforced laws.”

Former investment banker Sherree DeCovney has stated that she has “come to know many psychopaths, from Ponzi-schemers to book-cooking corporate executives. They are always charming and narcissistic. They display wonderful glib senses of humor and spin the truth like a roulette wheel.” Clive Boddy explains that psychopaths “take advantage of the relative chaotic nature of the modern corporation.” Under these circumstances they are able to clothe themselves in a veneer of charm which makes “their behavior invisible.” They are able to take

full advantage of circumstances for their firms and personal self-aggrandizement while simultaneously feeling no remorse over the consequences of their decisions and consistently deny any personal responsibility for how damaging their acts may have been.

An aura of charm and charisma is one distinguishing trait corporate psychopaths have in common—think Goldman’s Lloyd Blankfein, JP Morgan’s Jamie Dimon, Robert Ruben or Monsanto’s Hugh Grant. Likewise, firms’ public relations arms reimagine corporations in a glowing, positive light. Joel Bakan suggests that “the largest problematic myth today is the notion that corporations can be good and socially responsible. To me, that is like the charm of the psychopath because they actually can’t be those things just as a psychopath can’t. They can’t be responsible to society when their required imperative and structure is to be responsible only to their shareholders.” For this reason, he concludes, their ability to create a sense of themselves that is very charming is one reason why people buy into the “sheer lunacy” of the entire system.

In our conversation, Christopher Bayer noted that average Americans are vulnerable to being seduced. They want to believe what they hear and be charmed. “We all have the capacity to surrender and turn over our thinking and our will to people who we find charismatic and charming,” says Bayer. Such likeability “is an insanely powerful force in human interaction. We are all vulnerable to selling our souls to the devil. I see this every day in my practice.”

“There is an attitude structure among plutocrats. They don’t look at the rest of us as valid, equal, worthy human beings. They take financial inventory constantly. They measure worth in terms of their portfolio size. I hear this constantly in my practice. This is at the root of how they see the world. They don’t have empathy. They can’t relate to it. The attitude structure is if you’re not a multimillionaire, then you’re a failure, there’s something wrong with you and you’re not a worthy human being. This is the guts of the psychology of it and they just can’t relate to it.”

This is the dividing line that separates the psychopaths running Wall Street, the multinational corporations, private military contractors and Washington from everyone else who desires a more just, equitable and sustainable nation and world. The psychopath lacks the ability to care for the stranger. This is why Jordan Belfort warns that their coldhearted behavior, void of any redeeming morals and ethics, destroys everything. As long as such people are placed in charge of banks and firms that control so much of our economic lives, and we continue to elect legislators and presidents based upon charm rather than true integrity and moral substance, the US as a nation is destined to continue on its long descent into psychopathology and towards a future of narcissistic bliss for an oligarchic elite and immense suffering for everyone else.