



FINANCIAL PREPAREDNESS

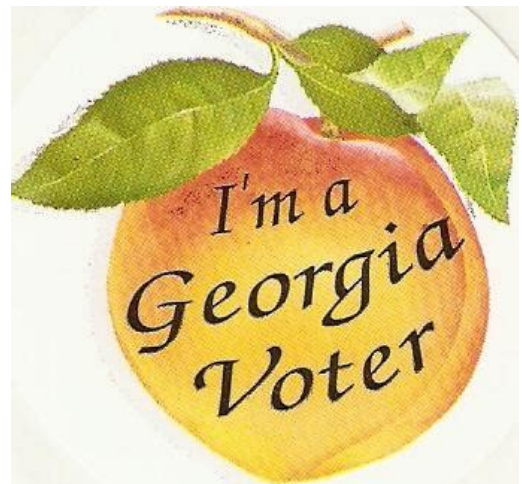
"One of life's most painful moments comes when we must admit that we didn't do our homework, that we are not prepared." ~ Merlin Olsen

Issue #92
November 11, 2022

Political vs. Economic Voting

On Election Day this week, I voted. But I didn't receive a heroic "I Voted" sticker that I could display on my chest to signal my supposed virtue to my fellow citizens. I didn't cast a vote for any politicians using a ballot. Instead, I voted my dollars on the market in a voluntary, peaceful and mutually beneficial exchange that left both myself and the seller better off. I bought some books that I've been wanting from an online bookseller.

I voted again today when I sold some shares in an iShares ETF. iShares is owned by Blackrock, which violates its legal fiduciary duty to investors by pressuring corporate management to spend time, money and energy on ESG initiatives that reduce shareholder returns.



There are [many good reasons to not vote or participate in politics](#), but I'm not going to write about that. Instead, I'm going to explain why economic voting is far superior to political voting in a number of ways.

I just finished reading the book [None of the Above: Why Non-Voters Are America's Political Majority](#) by Sy Leon (4.5 stars). I thought the chapter about economic voting (“Where the Individual Vote Really Counts”) was brilliant.

Leon writes, “We should be able to make our desires known through a vote. But...we don't need [politicians] in order to do this. On the contrary, we cast dozens of votes every day without so much as one politician crossing our path. And this non-political voting system is so direct and efficient that the political method of voting is pale by comparison. This remarkable voting system is economic, and the ballot is the dollar. Each time we buy something, we cast a vote in support of the company providing that product or service....If we do not like a product, we do not buy it, thus casting a 'no' vote.”

Leon lays out six reasons why economic voting is superior to political voting: “First, we are able to buy a finished product; we are not voting merely for a promise to do something, which is all we ever get from politicians. When we buy a service, we have a contractual guarantee that the service will be performed satisfactorily, which is something no politician dares to do.”

“Second, we have true choice with our economic vote. We can abstain from voting altogether by refusing to buy any brand of a particular item. No product or service can be forced upon us. If we dislike or disagree with what is being offered, we are not forced to pay for it or use it. This...is the opposite of what occurs in politics.”

“Third, we vote only for ourselves, not for other people. Through the economic vote we express our personal preferences, but we do not make decisions for other people. They are as free as we are to choose for themselves.”

“Fourth, we can vote every day, and we can continually revise our vote in the face of new information. If we decide from one day to the next that we do not like a product, or that we like another product better, we can put our decision into effect immediately. This is not the case, however, with the political vote. We can cast our political vote only once every several years, and we are stuck with the decision in the meantime.”

“Fifth, we can vote for particulars with our economic vote. We can cast one vote for the kind of detergent we want, another vote for the kind of television we want, and so forth. This allows us to retain complete control over our lives. When we elect a political candidate on the other hand, he presumes to make specific choices for us. We do not have that fine-tuning control with which the economic vote provides us.”

“Finally, through the economic vote we are able to express our desires directly, without using an intermediary. With the political vote, however, another person claims to act in our behalf, and we are forced to pay for his services through money stolen by taxation.”

Leon concludes, “The key to the economic vote is the voluntary consent and cooperation of all participants. The aim of economic voting is to satisfy all parties concerned through a process of mutual exchange....political voting is a process whereby one group of people attempts to force its desires on the rest of the people....The more areas of our lives that

are determined by political voting, the less individual choice we have.”

“We oppose [political] voting not because we want people to have less say in their own affairs but because we want them to have more say....the less political voting we have, the more economic voting will be possible. And the more we are able to vote economically, the more choice we have.”

I can think of other reasons why economic voting is superior to political voting. First, there are many ways to rig elections, and many people have a strong incentive to do so. When you cast an economic vote, however, a third party can't commit fraud and has no incentive to interfere with your choice.

Second, generally speaking, the more you've served your fellow man and the more prudent your decisions have been, the wealthier you should be, so your economic votes count more than those who have done the opposite. With political voting, everyone's vote counts the same (with the exception that the vote of people who commit voter fraud can count many more times than yours).

Further, you can use an economic vote to cast a quasi-political vote, but one that is far more effective, because it reduces the income of the target and can put them out of business. A political vote is just one out of thousands or millions of ballots cast that (assuming it's recorded properly) may be seen only once every two to six years. And even if you didn't vote for the victor, your participation provided legitimacy to the process, giving the victor even more of a mandate.

Let's look at a couple of examples. Facebook isn't popular with conservatives because of its censorship in recent years and Zuckerberg's unprecedented private funding of government voting operations in large cities in a handful of swing states in the 2020 election. Two years ago, its stock hit a high of \$297.38 per share. Last week it traded as low as \$88.09. I'm sure there are a number of factors that contributed to that decline, but I'm also sure that a boycott by conservatives was one of them.

Disney is another company that conservatives have boycotted due to its woke storylines, close relationship with the Chinese government and its feud with DeSantis. After Biden appointed its former CEO to be the ambassador to China, its stock price hit a high of \$203.02. Yesterday it hit a low of \$86.28. Again, many reasons, and a boycott by conservatives was one of them.

Pissing off half of your potential customers is not a good business strategy, and the market will exact a price. Just as [Jimmy Kimmel](#) and other TV shows. And guess what? Now these outfits have far less money to donate to political causes. Censorship can be a two-way street.

Additionally, unlike with a political vote, after you cast an economic vote, you can maintain a clear conscience. Since you have [abstained from beans](#), you know that no one came to harm as a result of your vote (unless you buy something that was made by slave labor in, say, China). Can you truly say that no one came to harm (physical, economic,

etc.) as a result of your voting for any high-level politician? Even if you knew everything they did, virtually all of their policies had *unintended consequences* that may not be evident to anyone, and perhaps may not occur until years later. Nineteenth Century French libertarian Frédéric Bastiat distinguished between “what is seen” (which politicians like to talk about) vs. “what is unseen” (which is what politicians don't talk about, if they're even aware of it). If you're considering casting a political vote, you should adhere to the phrase (attributed to the Hippocratic Oath) “first do no harm.” If you wish to do no harm to your fellow man, then you cannot in good conscience cast a political vote.

Finally, I leave you with two quotes by Henry David Thoreau about political voting:

“The fate of the country...does not depend on what kind of paper you drop into the ballot-box once a year, but on *what kind of man* you drop from your chamber into the street every morning.” (emphasis added)

“Even voting for the right is doing nothing for it. It is only expressing to men feebly your desire that it should prevail. A wise man will not leave the right to the mercy of chance, nor wish it to prevail through the power of the majority. There is but little virtue in the action of masses of men.”

News Items

[Shortages Are Coming](#)

What You Should Be Doing Now

Do an audit of who you give your money to and start casting economic votes. If you're a conservative, [2nd Vote](#) is one resource.

Ω

I would love to hear from you! I thrive on feedback from readers. If you have any comments, suggestions, insight/wisdom, or you'd like to share a link to a great article, please [email me](#).

Generally, I don't have time to answer questions about your specific situation, but if you have a general question that I think other readers also have, [let me know](#) and I will provide an answer in a future issue.

Feel free to forward this to a friend. If you would like to subscribe (it's free!) or unsubscribe, [email me](#) with either “subscribe” or “unsubscribe” in the subject line.

Disclaimer

The content of this newsletter is intended to be and should be used for informational/educational purposes only. You should not assume that it is accurate or that following my recommendations will produce a positive result for you. You should either do your own research and analysis, or hire a qualified professional who is aware of the facts and circumstances of your individual situation.

Financial Preparedness LLC is not a registered investment advisor. I am not an attorney, accountant, doctor, nutritionist or psychologist. I am not YOUR financial planner or investment advisor, and you are not my client.

Investments carry risk, are not guaranteed, and do fluctuate in value, and you can lose your entire investment. Past performance is not indicative of future performance. You should not invest in something you don't understand, or put all of your eggs in one basket.

Before starting a new diet or exercise regimen, you should consult with a doctor, nutritionist, dietician, or personal trainer.

Copyright 2022 Financial Preparedness LLC