

Source: [KBHistoryMasterIndex](#)

1 | Crisis of Liberal Democracy

- When unifying crises occur
- When police and military becomes over-controlling
- When an individual seizes power by force without remediation from constitution
- When a party becomes uniformly controlling of the government without competition
- When central tenants of democracy were extrinsically disturbed
- When promises go unchecked or undelivered
- When popular support becomes undefeated

Liquidity crisis: elements of mobile society becomes fix/stuck

1.1 | Agricultural Crisis

- Agriculture requires the ability to take debt: that you need money to plant, and you get return in the end
- During a system of overproduction, governments has to “pay people not to work.” Meaning, governments like the US had to buy up supply and start burning them.
- Western nations, during the agricultural crisis
 - Protectionism
 - Tightening credit/payback
 - Diversion of bubbles => anarchic response in global markets: every country trying to protect themselves and hence hurting the collective

1.2 | American Financing

- US funds attempted to force German industrial expansion and recovery
- Governments, using this fund, tries to legitamate themselves by stimulating inflation and creating fancy things

“The New Deal Programs” => some say that there is a hinderance to the economy

Instead of having money go into the economy, US credit system caused “speculative bubbles”: bubbles that are caused by traders speculating individuals’ will to buy something. i.e. Florida real estate + stock markets.

Margin trading began: a lot of investors are making a bubble through margins.

John Keens proposes that capitalism is not self-regulating because of the humanistic, animalistic emotions within the market.

1.3 | Tom’s Depression Vortex

Crisis of liquidity and underconsumption structural crisis

- Factories close down, workers laid off
- Poverty => lower demand for both consumer goods and food
- People with lower demand decides that they are better off buying more things
- Factories will then buy less
- Repeat sadness

Depression began as a fundamental crisis for western style democracy

1.4 | **Fashism**

- Rejection of material economy
- Rejects the “lots of money to buy things” goal
- Accepts life as a hero's struggle: that one thing — the all-powerful state — should unlock the heroism in other people