



Epsilon Theory

We the People? We the Pack

July 14, 2020



Back in early April, I wrote this about our battle with the coronavirus:

There is no country in the world that mobilizes for war more effectively than the United States. And I know you won't believe me, but I tell you it is true:

This will be #OurFinestHour.

Since then, our leaders have totally botched the Covid-19 war-fighting effort. I mean our leaders at every level of government and of every political stripe, and I mean that it has been spectacularly botched. **Covid-19 is now endemic within the United States**, meaning that it is neither effectively contained nor effectively mitigated. Meaning that it is uncontrolled and uncontrollable. Meaning that tens of thousands of Americans get sick with this disease every day, and between 500 and 1,000 Americans die. Every day.

It didn't have to be this way. As I write this note, Germany – a large country with a federal political system and the 4th largest economy in the world – is reporting two Covid-19 deaths today. Two. Japan – an even larger country and even larger economy – is reporting one Covid-19 death today. One.

But here's the thing. Yes, our political leaders have been a horror show. God knows I've been railing about them for months. But there's another awful truth at work here.









We the people have failed our nation more than the politicians.

In fact, I honestly don't believe we still have a nation. We have a country, of course, but that's just an administrative thing ... here are the borders, here is your social security number, here are the rules for how we do things. A nation is both less than a country and much, much more. A nation is the *meaning* of a country. A nation is the *embodiment* of We the People.

It's not that I think being an American has no meaning. It has a lot of meaning to me. It has a lot of meaning to many people. It has some meaning to almost everyone.

It's that being an American no longer has a *shared* meaning.

It's the widening gyre that we've been writing about for years now. Literally for years.

<i>2016</i>	<i>2017</i>
<div style="border: 1px solid #ccc; padding: 10px;"><h3 style="margin: 0;">Virtue Signaling, or ... Why Clinton is in Trouble</h3><p>Don't get me wrong. I'm thoroughly despondent about the calcification, mendacity, and venal corruption that I think four years of Clinton™ will impose. Trump, on the other hand ... I think he breaks us. Maybe he already has. He breaks us because he transforms every game we play as a country — from our domestic social games to our international security games — from a Coordination Game to a Competition Game.</p><p>Read more</p><p> Epsilon Theory  1 </p></div>	<div style="border: 1px solid #ccc; padding: 10px;"><h3 style="margin: 0;">Always Go To the Funeral</h3><p>There's a pose that very sick farm animals sometimes take when they're near death, where they lie down and twist their head way back into their shoulder in a very unnatural way. It's an odd sight if you don't know what it signifies, a horrible sight if you do.</p><p>Both the Republican Party and the Democratic Party are starting to twist their heads back into their shoulders. I don't know if it's too late to save them or not, but I'm increasingly thinking that it is. We need to start thinking about the funeral, who's going to speak, and what they're going to say.</p><p>Read more</p><p> Epsilon Theory  1 </p></div>

2018

Things Fall Apart (Part 1)



Part 1 of a three-part series on what it means to have a polarized electorate and a monolithic market. Today's

note: the Age of Ridiculousness and the decline and fall of the American Empire.
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Epsilon Theory

7

2019

The Long Now, Pt. 1 – Tick-Tock



The Long Now is everything we pull into the present from our future selves and our children.

The Long Now is

the constant stimulus that Management applies to our economy and the constant fear that Management applies to our politics. We are told that the economic stimulus and the political fear of the Long Now are costless, when in fact they cost us ... everything.

There is another way.

Tick-tock.

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7

2020

Once in a Lifetime



We are led by high-functioning sociopaths, in our politics and our economy, and nowhere is this more

apparent than in our war against COVID-19.

It's not a left/right thing. It's not a Republican/Democrat thing. It's a power thing.

Enough. It's time for the Pack to howl. Empathy + Minimax Regret is the answer. Because $2 + 2 = 4$.

Yes, this is a personal note. That's what this war is for all of us ... personal.

Read more

Epsilon Theory

38

I just never thought it would come to this.

I knew that high-functioning sociopath politicians would continue to do their high-functioning sociopath thing, where with one hand they pump out culture-porn telling us that what *really* matters is our attitude towards Goya beans or Columbus statues, and with the other hand they pump out TRILLIONS of dollars into a money-laundering scheme we like to call “monetary policy”.

All while MILLIONS of Americans are getting sick and MILLIONS of Americans are out of a job and TENS OF THOUSANDS of Americans are dead.

I just never thought we would embrace this evil – and that’s what it is – in our heart of hearts.

I just never thought that we would reject empathy for our fellow citizens in favor of sociopathy, that we would think of our fellow citizens as *matter*ing less in a horrific economic and public health emergency because they live in a different part of the country or have a different political affiliation.

Not all of us. But a lot of us. A critical mass of us. Enough of us so that the rest of us disengage from cooperative gameplay on a national scale, not out of emotion or spite, but out of cold, hard rational choice. It’s the inevitable outcome of our domestic social games transformed from Coordination Games into Competition Games.

From Virtue Signaling, or ... Why Clinton is in Trouble:

The hallmark of a Coordination Game is that there are two equilibrium outcomes possible, two balancing points where the game is stable. Yes, one of those stable outcomes is mutual defection, where everyone pursues their individual goals and everyone is worse off. But a stable outcome of mutual cooperation is at least possible in a Coordination Game, and that’s worth a lot. Here’s a graphical representation of a Coordination Game, using Rousseau’s famous example of “the stag hunt”.

Fig. 1 Coordination Game (Stag Hunt)

		Column Player	
		Hunt together	Hunt alone
Row Player	Hunt together	2, 2	0, 1
	Hunt alone	1, 0	1, 1

The basic idea here is that each player can choose to either cooperate (hunt together for a stag, in Rousseau’s example) or defect (hunt independently for a rabbit, in Rousseau’s example), but neither player knows what the other player is going to choose. If you defect, you’re guaranteed to bag a rabbit (so, for example, if the Row Player chooses Defect, he gets 1 point regardless of Column Player’s choice), but if you cooperate, you get a big deer if the other player also cooperates (worth 2 points to both players) and nothing if the other player defects. There are two Nash equilibria for the Coordination Game, marked by the blue ovals in the figure above. A Nash equilibrium is a stable equilibrium because once both players get to that outcome, neither player has any incentive to change his strategy. If both players are defecting, both will get rabbits (bottom right quadrant), and neither player will change to a Cooperate strategy. But if both players are cooperating, both will share a stag (top left quadrant), and neither player will change to a Defect strategy, as you’d be worse off by only getting a rabbit instead of sharing a stag (the other player would be even more worse off if you switched to Defect, but you don’t care about that).

The point of the Coordination Game is that mutual cooperation is a stable outcome based solely on self-interest, so long as the payoffs from defecting are always less than the payoff of mutual cooperation. If that happens, however, you get a game like this:

Fig. 2 Competition Game (Prisoner’s Dilemma)

		Column Player	
		Cooperate	Defect
Row Player	Cooperate	2, 2	0, 3
	Defect	3, 0	1, 1

Here, the payoff from defecting while everyone else continues to cooperate is no longer a mere 1 point rabbit, but is a truly extraordinary payoff where you get the “free rider” benefits of everyone else’s deer hunting AND you go out to get a rabbit on your own. **This extraordinary payoff is what Trump is saying is possible when he talks about America “winning” again.** But it’s not possible. Not for more than a nanosecond, at least, because there’s no equilibrium there, no stability in either the upper right or bottom left quadrant. You want to pass a modern version of the 1930 Smoot-Hawley Tariff Act to “win” a trade deal? Knock yourself out. As in 1930, you’ll enjoy those benefits for about two months before every other country

*does the same thing against you. And in about 12 months, as in 1931, every bank that's levered to global trade finance goes bust. Whee! There's one and only one equilibrium in a competition game — the “everyone defect” outcome of the bottom right quadrant — meaning that once you get to this point (and you will) you can't get out. **The stability of the Competition Game is the stability of permanent conflict.***

More importantly than what happens in any of these international games, however, is what happens in our domestic games. Blowing up our international trade and security games with Europe, Japan, and China for the sheer hell of it, turning them into full-blown Competition Games ... that's really stupid. But we have a nasty recession and maybe a nasty war. Maybe it would have happened anyway. We get over it. Blowing up our American political game with citizens, institutions, and identities for the sheer hell of it, turning it into a full-blown Competition Game ... that's a historic tragedy. We don't get over that.

But that's exactly what's happening. I look at Charlotte. I look at Dallas. I look at Milwaukee. And I no longer recognize us.

I wrote this four years ago. I no longer recognized us in 2016. Today in 2020 under the stress of a plague? It's done. There's no shared or coordinated position on what it *means* to be an American. Our domestic political lives are in the stable equilibrium of a Competition Game. There's no reversion here. There's no pendulum to swing back the other way.

The United States as a powerful country can easily last another 500 years.

America as a nation, though, as a common knowledge construct of what it *means* to be a citizen of the United States ... RIP.

There's little to be gained by asking who or what's to blame for the end of America as a nation. As with any big event, it's terribly overdetermined, which is a ten-dollar word that means shit happens. My personal view is that Trump is much more than a catalyst but something less than a determining event, more like the introduction of trench warfare and mustard gas in World War I than the assassination of Archduke Ferdinand. Well-meaning people may disagree. Don't @ me on this, please, because we don't have time for this conversation.

We don't have time to look behind because *everything* is at stake in looking forward.

There's *everything* to be gained by asking how we move our country out of this Competition Game and back into a Coordination Game where a shared sense of national identity is at least possible.

There's *everything* to be gained by asking how an America of shared meaning – a *nation* of liberty and justice for all – can be reborn within the *country* of the United States.

And everything to be lost if we don't. Because I promise you the Nudging Oligarchs and Nudging Statists are hard at work developing *their* version of a new operating system for this American reboot.

**I still believe this will be our finest hour.
Not of the America that was. But of the America that can be.**

What is the question that matters? It's the only question that ever matters as you experience an existential crisis.

It's the question Butch asks Marsellus in *Pulp Fiction*.



What now?

Let me tell you what now.

Now we help our American brothers and sisters survive both the greatest public health crisis of our lives AND the greatest economic dislocation of our lives. Even those brothers and sisters who would never do the same for us. Even those brothers and sisters who are out of their freakin' minds in the culture-porn simulated world of MAGA-this and SJW-that.

You've heard of the expression that there are no atheists in a foxhole? Well, guess what ... there are no Democrats and no Republicans in a foxhole, either. There are no New Yorkers and no Texans, no race and no class. There is only us – human beings who are in the fight of our lives,

who want to do the right thing for ourselves and our families, who used to share more than just a border and a history with the other human beings in this American foxhole. And can once again.

Now we reject the New Story of sociopathy and division. **Now we sing the Old Story of empathy and shared sacrifice.**

Now we reject the logic of the flock. Now we embrace the logic of the pack. Now we turn the other cheek. Not because it's the kind move or the sweet move. **But because it's the smart move.**

Now we make. Now we protect. Now we teach.

Now we act.

From the bottom-up.

With the strength of the pack.

*Now this is the law of the jungle, as old and as true as the sky,
And the wolf that shall keep it may prosper, but the wolf that shall break it must die.*

*As the creeper that girdles the tree trunk, the law runneth forward and back;
For the strength of the pack is the wolf, and the strength of the wolf is the pack.*

That's from a poem by Rudyard Kipling. I know he's been canceled, but I don't care. I think he's great.

What does acting from the bottom-up with the strength of the pack mean?

For me it means shouting from the Epsilon Theory megaphone – a megaphone powered by my pack – that we are being lied to about Covid-19 and betrayed by our political leaders.

See, I'm not a lockdown guy. At all. I believe that we're all smart enough to make up our own minds about the risks that Covid-19 poses for ourselves and our families, commensurate with our own personal conception of life, liberty and the pursuit of happiness AND our absolute obligation to respect those same rights in others.

I also believe that our government has intentionally obscured and misrepresented crucial information about Covid-19 that is necessary for an informed, personal risk-taking decision.

I also believe that that our government has abdicated and abused its irreplaceable role in providing resources and coordination to resolve inevitable conflicts of individual rights.

For me it also means distributing N95 and KN95 masks – a distribution powered by my pack – to thousands of individual healthcare workers and first responders in urgent need of PPE.

To date we've purchased and distributed about 110,000 N95 and KN95 masks to more than 1,000 individual hospitals, clinics, fire depts, police depts, prisons and shelters across 46 states. We send these masks in packages of 50 to 200 *directly* to doctors, nurses, EMTs, officers and social workers in urgent need, who then distribute them to their teams.

We don't compete with federal or state authorities in their big bulk orders of PPE. But we're also not *waiting* on these federal or state authorities to trickle those bulk orders down to the frontlines. Because somehow they never do.

If you are a healthcare worker or first responder in urgent need of PPE (or if you know someone who is!) fill out the online form here – [Getting PPE to Healthcare Workers and First Responders](#) – and we will do what we can to help!

Please understand that our efforts really are for those in urgent need. Please don't game the system. Please don't approach this with a "hey, can I get some free masks?" attitude. Yes, this happens. No, this doesn't work.

So let me tell you a story about my pack and these masks. You may notice that I'm no longer publishing a website address where you can go and donate money to this cause. The website is still up – www.FrontlineHeroesUSA.org – but there's no donation link. You know why? *Because the pack was so generous in their donations that we've got all the money we need right now.*

One day we may need to raise more money. That will be a sad day, because it will mean that this plague is still with us long after it should be eradicated and long after this charity should have been wound down. But if that day ever comes, the pack will hear the call and the pack will answer.

The pack *always* answers the call.



What does acting from the bottom-up with the strength of the pack mean to you?

I don't know. But you do.

You know what you can do. You know the needs of your community. You know who your pack is. And if you don't ... well, maybe you should put some thought into that. The culture-porn can wait. Twitter and Facebook and all that, it'll still be there when you get back.

I'll tell you this, though. Every school in this country is going to need a lot of help over the next few weeks and months. This isn't a statement about reopening or not. This isn't a statement about the politics of reopening or the benefits of reopening or the dangers of reopening or the wisdom of reopening or the idiocy of reopening. *This is a statement about need.*

Whatever your views are on school reopening ... however angry you get with the parents and politicians who are on the *other* side of this issue ... you could do worse than to organize your pack and figure out how to help the human beings in your community – parents, students and teachers alike – who are going to have a hard time with the schools this fall under *any* circumstances. Maybe you'll figure out a way to help with the economic risks they will face. Maybe you'll figure out a way to help with the health risks they will face.

But I bet you'll find a way to help.

Once you start to see the parents, students and teachers in your community as something more than abstract placeholders for the political arguments they (or you!) may be immersed in ... once you start to see them as fellow Americans stuck in this foxhole with you ... everything changes.

And that change is even more contagious than the virus.

We're going to change the world, you know ... you and me.



PS. If you're interested in joining the Epsilon Theory pack, [we'd love to have you.](#)

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