

Doug Casey On What Really Happened In 2023 And What Comes Next

[Authored by Doug Casey via InternationalMan.com.](#)

International Man: As we approach the end of the year, let's take a step back, look at the Big Picture, and put 2023 into perspective so we can better understand what may come next.

Significant financial, economic, political, cultural, and geopolitical developments occurred in 2023.

On the cultural front, **2023 may be the year that the tide started to shift against the woke insanity.**

BlackRock's Fink dropped ESG. Woke movies continue to bomb at theaters. Bud Light, Target, and Disney continue to feel the pain of deliberately alienating their customer base.

What's your take on the cultural developments in 2023?



Doug Casey: There are always reactions to major trends. These things are worth noting, **but considering the virulence of the woke movement, the reaction has been tepid.** There's always a rearguard fighting for things as they are. And that's wonderful because the Wokesters want to overturn the entire culture much the same way as the Jacobins overturned it in revolutionary France, the Bolsheviks overturned the culture in Russia, the Red Guards in China, or Pol Pot did in Cambodia.

The Wokesters are potentially just as dangerous because their way of thinking is everywhere in the West.

*They're similar to the movements I've just mentioned in that they're stridently against free speech, free thought, free markets, tradition, and limited government—nothing new there. But they've weaponized gender and race as well. They're virulent, humorless, and puritanical. **They see themselves as the wave of the future, but they've only repackaged the notions of Marx, Lenin, Stalin, and Hitler.***

My view is that the Wokesters hate humanity and hate themselves. They're dishonest, arrogant, and entitled. Look at the current scandal involving the diversity-hire presidents at Harvard, Penn, and MIT. They're shameful embarrassments. The fact their boards of trustees installed these fools shows how deep the rot goes.

The Woke have ingrained psychological/spiritual aberrations.

They don't just control academia, finance, entertainment, and the media. They also dominate the State's apparatus. Which means they basically have the law on their side.

*Perhaps **ESG is being de-emphasized by Blackrock, the new vampire squid, but that's only because they fear losing money** more than they value their beliefs. The more pernicious DEI remains a major cultural trend.*

Where will it end?

Wokism is more than a passing fad. There's a good chance it will end with a violent confrontation between people who have culturally conservative views and those who want to destroy Western Civilization and upset the nature of society as we know it.

International Man: 2023 was a year of major geopolitical developments.

It became evident to even the mainstream media that the war in the Ukraine was not going well for NATO.

There was also the Hamas attack and the Israeli invasion of Gaza.

Azerbaijan defeated Armenia to reclaim a long-disputed territory.

Saudi Arabia welcomed Syria back into the Arab League, ended the war in Yemen, restored diplomatic relations with Iran, joined the BRICS countries, and expanded its economic ties with China.

These are just a few of the most prominent geopolitical events of 2023.

What do you make of the geopolitical situation and where things are heading?

Doug Casey: **The end of US hegemony over the world in all areas is becoming obvious.** The world resents being bullied and controlled by Washington, DC.

They realize that the US government is bankrupt and is living entirely on printed money. Its military is bloated and more expensive than the US can afford.

While it's bloated, it's also being gutted, unable to recruit new soldiers and sailors. It's easy to see why that's the case. *They see pointless wars fomented everywhere. The type of people who traditionally join the military are disgusted by the woke memes circulating through the services. White males, who have always been the backbone of the military, are appalled at being actively discriminated against.*

US hegemony is ending financially, economically, and militarily.

It's obvious when you see that Biden and Harris, two utterly incompetent, ineffectual fools, are the nominal heads of the government. Not to mention all the degraded and psychologically damaged people in the cabinet. Of course, nobody has any respect for the US anymore.

The US hegemony of the last hundred years is on its way out. And as the old order changes, there are going to be upsets. The US will leave a vacuum that will be filled by other forces.

*In fact, **the US Government is the biggest danger to the world today.** It's not providing order. By sticking its nose into everyone else's business everywhere, it's promoting chaos. Its 800+ bases around the world are provocations. The carrier groups that it has wandering around are sitting ducks with today's technology. The US is the main source of risk in the world, not safety.*

US military spending is really just corporate welfare for the five big "defense" corporations, which build weapons suited for fighting the last war or maybe the war before the last war. For instance, a missile frigate or destroyer guarding a carrier might carry 100 vertically-launched anti-aircraft missiles at \$2 million each. Each missile might succeed in shooting down a \$10,000 drone. But what happens when the enemy launches 200 drones at once? The chances are the US loses a \$2 billion destroyer, if not a carrier.

*The US government is finding that they're not only disliked but disrespected by countries and people all over the world. **They're increasingly viewed as a paper tiger. Or the Wizard of Oz. When they lose the fear factor, it's game over.***

International Man: In 2023, the US continued the trend of more political polarization.

What were the most consequential events on the US political front, and what do you think comes next?

Doug Casey: Let me reemphasize that **the Jacobins who control Washington, DC, have the same psychological makeup as past revolutionaries** I've mentioned.

These people are incapable of changing their minds or reforming. I think they'll do absolutely anything they can to retain power.

Meanwhile, traditional Americans in red states see that Trump is being railroaded with lawfare to derail his campaign. They're angrier than ever, justifiably. The red people and the blue people really hate each other at this point—and can't talk to each other.

The country has been completely demoralized as traditional values have been washed away. It's now very unstable.

The coming election, should we actually have one, will be not just a political but a cultural contest. Culture wars are especially dangerous in the midst of a [financial collapse and economic collapse](#).

International Man: The projected annual interest expense on the federal debt hit \$1 trillion for the first time in 2023.

Americans are still paying for the rampant currency debasement during the Covid hysteria as the price of groceries, insurance, rent, and most other things continued to rise in 2023.

It looks like a recession is on the horizon.

What are your thoughts on economic developments in 2023 and your outlook for the months ahead?

Doug Casey: As an amateur student of history, **it seems to me that the US has been moving away from the founding principles that made it unique for over a hundred years.** I'm 77. I've watched it happen firsthand for much of that time.

The trend has been accelerating.

The country is heading towards a massive crisis because it's lost its philosophical footing. The result is going to be a really serious depression. I call it the Greater Depression.

The spread between the haves who live in multi-million dollar houses and the have-nots who live in tents isn't new. After all, Jesus said, "The poor you will always have with you." What's new is that the middle class is being impoverished. What's left of the middle class is deeply in debt—student debt, credit card debt, car loan debt, mortgage debt. And if they're not lucky enough to have a house with mortgage debt, they're renting. And rents have gone up so rapidly that if the average guy has an unforeseen \$500 expense, he can't pay it.

That augurs poorly for consumption. It's said, idiotically, that the American economy rests on consumption. It's idiotic because it should be said that it rests on production. But I'm not sure the US produces that much anymore.

Most of the people who "work" basically sit at desks and shuffle papers. Few actively create real wealth.

On top of that, the country is vastly over-financialized.

The bond market has already largely collapsed, but it can get a lot worse as interest rates head back up to the levels that they were in the early 1980s and beyond.

Much lower stock prices are in the cards, both because of high interest rates and because people won't be consuming such massive quantities of corporate produce.

The real estate market rests on a foundation of debt. *It can easily go bust as interest rates go up. We're already seeing this with office buildings across the country. And, of course, these office buildings are financed by banks. Banks are going to see a lot of defaults on loans they've made.*

Meanwhile, bank capital invested in bonds has eroded because bond prices fall in proportion to the degree rise in interest rates, which have gone from close to zero to 5% or 6%. If banks had to mark their loans and capital investments to the market, most would already be bankrupt.

Can the government paper all these things over by printing yet more money? I suppose.

But at some point very soon, the dollar will lose value very rapidly; it will be treated like a hot potato. They're caught between a rock and a hard place.

International Man: This year, we saw the price of gold hit a record high, uranium reached \$81.25 per pound, and Bitcoin more than doubled as it entered a new bull market. Meanwhile, the S&P 500 is up around 21% year to date as of writing.

What are your thoughts on what happened in the financial markets in 2023 and what could come next?

Doug Casey: Unfortunately, **the US central bank, the Fed, has a gigantic amount of influence over the markets.**

They can employ "quantitative easing," which means printing money—and "quantitative tightening," which means decreasing the money and artificially raising interest rates.

*They have many hundreds of Ph.D. economists on staff, but all these people operate on phony Keynesian theories of the way the world works. **The consequences of building an economic system on a foundation of paper money and gigantic amounts of debt are potentially catastrophic.***

At this point, the economy's on the razor edge. If they push the print button and hold it down too long, we could go into a runaway inflation. Or, to tamp down inflation, they might raise interest rates and contract the money supply, which might set off a 1929-style credit collapse.

We're caught between Scylla and Charybdis at this point. And I don't believe it's a question of a soft landing or a hard landing. It's a question of how devastating the crash landing will be.

I hope they can wring one more cycle out of all this because I personally prefer good times to bad times, even if they're artificial good times, because the bad times are going to be very real.