



YOSEMITE CAPITAL MANAGEMENT

Second Quarter 2011 – COMMENTARY

... we here highly resolve that these dead shall not have died in vain—that this nation, under God, shall have a new birth of freedom— and that government of the people, by the people, for the people, shall not perish from the earth. – Abraham Lincoln in his Gettysburg Address

In the past we have conveyed our long term belief in the United States of America as a place of ultimately continuing growth and prosperity. We can have such faith because the country remains a destination for people all around the world who seek freedom and opportunities for self-fulfillment, contains the spirit of entrepreneurship, demonstrates resilience in the face of adversity, and operates as an open and flexible society. The optimism engendered by these attributes means we can be confident that we can eventually overcome any setbacks, no matter how severe they may seem in the moment.

But what if we are wrong?

What if there really is a permanent change from the United States of America being built on the sanctity of individual freedom to the supremacy of the corporation and the extreme elite? What if the middle class is eviscerated so that common citizens are destined to be serfs of corporations and a new aristocracy that leads them? What if the government does not exist for the purpose of safeguarding the liberty of all citizens on an equal basis but instead is a servant of the leaders of corporations, especially the largest financial institutions?

Evidence that formerly crackpot conspiracies might be on to something include massive amounts of unearned compensation, armies of well-paid lobbyists, campaign contributions buying laws and selling souls, politicians who have no principles except to get and maintain power, and regulators who are timid against the largest corporations. Cronies and shills and lobbies, oh my! All of that is enough to make the Founding Fathers roll over in their graves, but the final straw could have been when London's *The Sunday Times* quoted Lloyd Blankfein, CEO of Goldman Sachs, describing himself as "just a banker "doing God's work" " ("I'm doing 'God's work'. Meet Mr Goldman Sachs", November 8, 2009, http://www.timesonline.co.uk/tol/news/world/us_and_americas/article6907681.ece?token=null&offset=0&page=1).

We the People can fight against Republicrats, but we can't fight against God. If it's all over, we must change the words to some important oaths, songs, and prayers to reflect the new political, social, and religious reality. To that end, we humbly submit the following.

THE PLEDGE OF ALLEGIANCE

I pledge allegiance to the flag
Of the United States of Corporate America
And to the executive compensation for which it stands
One nation under Chief Executive Officers and Investment Bankers,
With compliant regulators and cronies for all campaign contributions.

OATH OF OFFICE FOR THE PRESIDENT

I do solemnly swear (or affirm) that I will faithfully execute the Office of President of the United States, and will to the best of my campaign contributions, preserve unearned executive compensation, protect CEO's and defend from regulators the Corporations of the United States.

OATH OF OFFICE FOR CONGRESS

I do solemnly swear (or affirm) that I will support and defend the Corporations of the United States against all competition, foreign and domestic; that I will bear true faith and subservience to the same; that I take this obligation needing campaign contributions, without any mental understanding or purpose of principles; and that I will well and faithfully discharge the duties of the office on which I am about to enter against regulators: So help me CEO's.

CORPORATIONS ÜBER ALLES

(Sing along with the music sample provided at <http://en.wikipedia.org/wiki/Deutschlandlied>)

Corporations, Corporations above all,
Above all in the world,
When, for compensation and bonus,
They always take a crony stand together.
From Maine to Hawaii,
From Alaska to Florida,
Corporations, Corporations above everything,

Above everything in the world!
Corporations, Corporations above everything,
Above everything in the world!
Corporate power, Corporate authority,
Corporate shill and Corporate lobby
Shall retain in the world
Their old beautiful chime
And inspire us to monetary deeds
During all of our life.
Corporate power, Corporate authority,
Corporate shill and Corporate lobby!
Corporate power, Corporate authority,
Corporate shill and Corporate lobby!

Revenues and margins and earnings
For the Corporate fatherland!
For these let us all strive
Brotherly with Congress and Regulators!
Revenues and margins and earnings
Are the pledge of government;
Flourish in this government's blessing,
Flourish, Corporate fatherland!
Flourish in this government's blessing,
Flourish, Corporate fatherland!

THE LORD'S PRAYER

Our CEO who art in the executive suite
Hallowed be thy corporation
Thy compensation come
Thy will be done in the marketplace as it is in Congress
Give us this day our daily minimum wage
And forgive us our regulations
As we forgive those who regulate against us
And lead us not into temptation for fair business
But deliver us from evil of a middle class
For thine is the President, the Congress and the Supreme Court
Now and forever. Amen.

PSALM 23

1 The CEO is my shepherd; he shall not want; I shall always want.
2 He maketh me to lie down in fear of pink slips: he leadeth me beside the still minimum wage.
3 He sucketh away my soul: he leadeth me in the paths of revenues for his compensation's sake.
4 Yea, though he walks through the valley of the shadow of Congress, he will fear no evil: for compliant regulators art with him; his lobbyists and his crony's staff they comfort him.
5 Thou preparest a bill before me in the presence of mine debtors: thou anointest my credit card with oil of ever higher prices; his bonuses runneth over.
6 Surely taxes and debt shall follow me all the days of my life: and I will dwell in the cubicle of the Corporation for ever.

THE TEN COMMANDMENTS

I am the Corporation your God, you shall have no other gods before me
Do not take the name of the Corporation in vain

Remember the Earnings Report and keep it holy

Honor your CEO and CFO

You shall not kill corporate earnings

You shall not commit regulations

You shall not steal golden parachutes

You shall not bear false witness against campaign contributions

You shall not covet your executives' bonuses

You shall not covet any perks that belong to your executives

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