

America's Brain Drain, the hidden cost of statism.

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I loved Nicaragua. Sunrise at 7:40 was intoxicating when the sun reflected perfectly off the wavelets making a million diamonds sparkling like no jewel ever could. Dancing with my wife on the beach, enjoying the cool of the evening with ample rum and coke and friends to share the evenings with. I loved Nicaragua, so why am I not living there?

Like several other countries, Nicaragua is in start over mode. Living there now is like living in rural America in the 1940s. It wasn't like that before the Contra war, it wasn't like that before Daniel Ortega and the Sandinistas came into power and began to use force to redistribute the land. What happened was all the people with an education and high IQ, voted with their feet and left Nicaragua. And now to get dental work done, other than a complete extraction, or get any medical work done you have to go to Managua (the capital) or to Costa Rica. Raw Sewage is being dumped into the lakes, litter is everywhere, children rummage through land-fills looking for anything of value. Poverty is a way of life. What did the people get when the government redistributed the wealth? An equal share of nothing. The brain drain took everything of value, intelligence and the experience of how to use it.

It has already begun to happen again, in the US. Americans leaving the United States doubled in 2012 from just the previous year and was up 5 times over 2008. When Facebook co-founder Eduardo Saverin and others gave up their US citizenship, the US government tried to make it out that it was all about tax avoidance, which is just not the case. Although with a tax rate of over 50% any smaller tax burden sure would be icing on the proverbial cake. However, when asked why they left America, the US expats mostly are saying that it just felt like it was time to go. America today is very different than the one we grew up believing in. Government restrictions and regulations are limiting our individual freedoms, and making it more difficult to compete.

Another reason Americans are giving up their US passports is for banking purposes. Most non-US banks feel it's too risky to deal with Americans, even the ones living outside the US, particularly after the United States probed USB and 11 other Swiss financial companies alleging aid and support for offshore tax evasion. Additionally, just try to find a non-US forex broker willing to accept any US investor, it just isn't going to happen. Here's just one more example of how these government limitations cause undo hardship on American citizens: There is a computer program that has the uncanny ability to almost never lose money on any of its trades, but not only was the system prohibited for use on US brokers, but the federal government actually took legal action against off shore brokers for allowing US investors to utilize their brokerage firms.

The United State's actions of over taxation, limiting investment options, and restricting our individual liberties; all have contributed to America's brain drain. Consider that in just five short years Nicaragua's future crumbled. The US is larger and it will take longer for the effect to be felt, but our time is coming.

There is a way to offset some of the losses by better utilizing the intellectual assets that remain, but that isn't likely to happen either. For example, all the MENSA organizations could be linked and asked to find ways and ideas to improve governments efficiencies. Not part of the government, this organization would only find and improve upon ideas from the populace, giving good ideas a path to

implementation and a voice to the people. To be eligible for MENSA membership you have to have an IQ of 140 and above which is the top 2% of the population.

Why doesn't any branch of the government, any senators or house members have a real suggestion box on their website? Wouldn't it be a good idea to have the best minds in America working on it's problems? And it would cost next to nothing, so... but it won't happen. Neither will the zebra change its stripes and quit doing its cash grab that started the flight to freedom in the first place.

Therefore that leaves all of us with decisions to make of our own. Do we follow the example of those minds that have blazed the way and left, or stay put and hope for the best? From our advantage point it looks like the more they know, the more they go, and the more they stay, the more they pay. It's not about tax, its about freedom - and when the going gets tough, ...