

A Short History of Fantastical Government Incompetence

By [The Mogambo Guru](#)

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I know you, ever wise and clever and well-educated person that you are, have heard the age-old adage that Karl Marx and that British guy Philip Guedalla were so fond of saying: “history repeats itself.” Personally, I like how Mark Twain put it better, which is not to say that it “repeats” itself, but that it does, in fact, “rhyme.”

Well, I don’t know if you’d call it repeating or rhyming or ranting or raving or something else no one has thought of yet, but whatever it is, there’s been some serious “r” usage in the history of fantastical government incompetence, as we shall see.

William L Anderson, adjunct scholar of the Mises Institute who also teaches economics at Frostburg State University, writes on the Mises site: “For many years, economics has been plagued with the ‘lump of jobs’ fallacy in which it is believed there are only a limited amount of things to do and once they are done, people have no means of employment. The truth is the polar opposite; there literally are an infinite number of things that must be done. As Alchian and Allen have noted in their 1983 book Exchange and Production, the elimination of some tasks due to improved methods of productivity frees up scarce labor to do other things. That, they point out, is how an economy grows, a simple truth that seems to have escaped most of the economics profession.”

And I add, with that snotty undertone of disgust that has made “Mogambo Guru” synonymous with “disgust with snotty undertones,” not only have they missed THAT completely, my dear professor, but they have also ignored that, increasingly and increasingly, these “infinite number of things that must be done” have now all become government jobs, or jobs related to dealing with other guys who are doing THEIR government jobs, or supplying a good or service that is now paid for by the government, as a result of the government just doing its job, which it has perversely described as “providing more goods and services to the American people.”

Intrusive Government: “Continually Providing Higher Levels of Service”

This reminds me of the time, years and years ago, when I was consulting to a certain city on budget matters, and I got into a private tangle with the local City Manager over his use of the phrase, in written documents, as some kind of superficial credo of all the underlings in city service, that he was committed to the City providing to the citizens the bounty of, and I quote, “Continually providing higher levels of service.” When I gently reminded him that this endorses higher costs, and thus higher taxes and more onerous deadweight loss on the community, and thus he was actually working at odds to the interests of people who pay the taxes, he was, umm, let me choose the perfect word here, dumbfounded.

Well, to be honest, perhaps some of his dumbfoundednessosity can be explained by the fact that it was the also first time I had tried theatrical techniques to make a presentation. In this landmark approach, which, of course, I hope you will remember that I personally invented, I sat in a chair opposite him and silently fashioned a hangman's noose out of a length of rope. Finishing tying the Hangman's Knot, I stood up, and hung a sign that read "Taxpayer" around my neck. Without a word – and I could see out of the corner of my eye that the City Manager was spellbound by my inspired performance so far – I climbed onto the chair, put the noose around my neck, and jerked it tight. Standing on one foot, I kicked the other spasmodically in simulated death throes, let my tongue loll out of my mouth and my eyes roll back in my head. Oh, it was a thrilling moment!

I milked the scene for as long as I could, and for almost a full minute I stood there, the noose around my neck, my leg convulsions finally subsiding to eerie stillness. You could have heard the proverbial pin drop. Way off in the distance, you could hear a wolf howling.

Intrusive Government: The Road to Ruin

The finale was supposed to be where I do this fabulous ghost thing, where the economically murdered taxpayers curse the city manager and every municipal employee from beyond the grave. But no sooner had I put on the ghost costume, turned out the lights, and, sticking a flashlight under my chin to look really spooky, the city manager, for some reason I cannot fathom, lost it, and I was rudely escorted out of his office by a surprisingly strong secretary, who has to be seventy if she's a day, but real wiry, if you know what I mean, and I think she works out, too. And I had to endure his tirade about how it's his office, and his city, and he takes directions from the City Council, and if I have anything further to say, then I should say it to them, and how he forbids me to ever set foot in his office again, blah blah blah. I mostly forget the details of what he said, but I do remember thinking at the time that I had never heard the "F" word used so many times in so short a span of time, so that was kind of cool.

Things immediately went downhill from there, and I usually stop telling this story before we get to this last part, and now that I read it, I realize the wisdom of why I do that. But it is too late now, so forget about it, because the point is not how to conduct an effective presentation, but that the escalation of the government doing jobs that they think need to be done is going to ruin us.

But that's not all, noooOOOooo sirree indeed, not only is the government permanently bent on doing more and more jobs it thinks it needs to, which it doesn't, but it's also always spending more and more time and money trying to keep those poor people who still have non-government jobs from doing them, or at least from doing them well and turning a profit. Not to mention keeping the shady capitalists in line by turning America into a vast, expensive bureaucracy of micro-regulators, so that yet more people can work for the government. Which came back to the same idea, but in a different way.

Anyway, economist Paul Craig Roberts points out that "the relatively well-educated but low-earning laborers of many Asian countries gain an advantage to workers in this country because of our legal situation." Well, duh, huh? But he was setting us up for the gem of Infinite Wisdom that he drops on us next. He writes: "The advantage (of foreign workers) increases with the

absence of tort lawyer extortions and harassing and fining IRS, EPA, OSHA, EEOC and other regulatory bureaucracies, whose budgets demand a never-ending supply of wrongdoers to be penalized.”

Intrusive Government: Regulatory Bureaucracies

The Big Truth That Is Revealed Here is the phrase “...regulatory bureaucracies, whose budgets demand a never- ending supply of wrongdoers to be penalized.” It makes me slap myself on the forehead and say, “Ain’t that the truth, bro!” Didn’t we just get through with another example of the government finding things to do with its considerable time? It seems to be one of the natural imperatives, like seeking food and water, of government to grow bigger and stronger.

Roberts sums it up by actually quoting me, the Mogambo, when he says, “We cannot have big, intrusive government and a healthy economy at the same time.” Well, although he quoted me almost verbatim, he did NOT give me credit for originally saying this little gem of profundity. And I have been saying it for a long time, too, so don’t give me any of that crap about how he didn’t have the time to look it up. And, to add insult to injury, he also completely mangles my original quote!

To show you the depth of the man’s vile plagiarism and barbaric hacking to death of my memorable and timeless witticisms, here is what I probably originally said, and I remember it exactly: “You dim-witted American voters who elect these Democrat and Republican weenies promising you cradle-to-grave safety nets and outright support of everybody, think, in your defective little pea-sized brains, that you can, but you cannot, have a big, intrusive, suffocating, expensive, re-distributionist, megalithic, cruel, suppressing, fascist, bankrupting, corrupt and repressive in the totalitarian sense government, and have a healthy economy at the same freaking time, you incredibly stupid morons!

“And just who in the freaking hell do you think you are that you are so smart that you can pull off a stupid stunt like that, when in fact nobody, no ruler, no gods, no king, no government, no alien masters from outer space with mind- controlling beams and these giant robots, no nothing, has ever, in the whole freaking history of the world, ever, and I mean EVER, pulled off a crazy re-distribution Ponzi- scheme stunt like that, not even back when there were omnipotent emperors with god-like powers running the joint who could have you fed, kicking and screaming and raising a hell of a fuss, to ravenous lions so that they could watch jungle beasts eat you alive! And just for something amusing to do to relieve the boredom of a slow day! But now, you think that somehow this stinking gaggle of honking Congresspersons and clueless American Federal Reserve eggheads can collectively come up with a scheme that will finally pull that silly crap off?

“Hahahahaha!

“And to make matters worse, and to make yourselves look even more stupid, you think that even if they can’t do it, that they will be able to come up with something marvelous, some Economic Magic, to keep you from having to pay the price for even trying? Hahahaha! Stop it! My sides are hurting from laughter! Hahahah! Stop it! Hahaha! You’re killing me here!”

Intrusive Government: Lowest Common Denominator

Okay, his version is shorter, but it lacks the fire that the sheer importance of the subject calls for. But you can certainly see how he ripped me off, can't you?

Times are really getting pretty freaking weird out there. But if you don't believe me, then catch the Jerry Springer Show sometime. It seems to be the chronicle of the lowest- common-denominator-meets-Gladiators, in this case women waging combat by baring their breasts and repeatedly attempting assault and battery upon each other and various people who are in some relationship to each other. But it is seldom the cute ones, but their fat sisty uglers, as the comic once said, I forget who, so I quickly lose interest.

What has this got to do with economics? Everything. Compare BET, MTV, and the Jerry Springer Show with how many times can I get Mozart on TV per freaking year. Then recall that economics is human action, and thus the popularity of these shows, reflected in their sheer tonnage of hours per day, is people taking action to see these shows, to the voluntary and total neglect of Mozart, the greatest composer, by far, in the history of music.

Imagine!

Now, go back in history and find me one society that benefited from that kind of purposeful action. The one that came to my mind, of course, was Sodom and Gomorrah, old- Testament party towns, and that didn't work out too well for them in the end, as I recall.

But you, ever the quizzical one concerning economics, ask, "But if they were spending all their time partying-down with the homeys, how did they finance that deliciously hedonistic lifestyle?" Now, this is a question that has puzzled many a Biblical scholar, I am sure, and I personally spent a lot of time pondering how to finance my OWN hedonistic, party lifestyle.

And it turns out the answer is simplicity itself, bringing us to yet another thing governments have always done, continue to do, and will probably keep on doing for the foreseeable future, unless something really cataclysmic happens, to ruin its citizens. This is the part of the Bible that nobody talks about, so I hear, because it is in small print way in the back somewhere, which nobody reads because it is the part that concerns monetary and fiscal policy, and is therefore so very uninteresting that not even cloistered celibate PRIESTS who are completely bored out of their skulls for want of novelty will read it.

Intrusive Government: How to Pay for Orgies

I never heard of it either, and that is because this is the part that is NOT about sex and parties and orgies and getting drunk and having a wonderful time, but it IS the part about how to PAY for all the sex and parties and orgies and getting drunk and having a wonderful time. And, so we come to find out, they did it all on credit. And I am happy to report that what was normal 2,000 years ago is relevant today, as neither I nor anybody I ever even knew really worried about how to PAY for having a wonderful time WHILE they were having the wonderful time. A few passing

thoughts, maybe. Perhaps some waving of the hand in polite dismissal. But never worry. And always on credit.

So, year after year the governments of Sodom and Gomorrah financed themselves through deficit-spending, and running up big credit-parchment debt loads was a big industry, wherein you could buy on credit! Year after year! More and more!

And then houses, and stocks and bonds and government- sponsored enterprises! And the government printed up more and more! Debt was accumulated at levels that set new records every day! More lending! More borrowing! More spending! More debt! More printing up money! Around and around and around! And then one day, it was ka-boom! That's the part that is supposed to be The Big Lesson, one of those instructive parables that the Bible is so famous for.

But the only lesson that we seemed to have learned is that in the golden days leading UP to that dreadful day of reckoning, it was party hearty! Or par-tay har-tay, if you will. For a long, memorable time, S & G sure were popular places, and real estate values soared! I hear that college students on Spring Break, flooding into Sodom, made city revenues soar by 100%! And so there is Biblical precedent for the Austrian economics idea that accumulating debt in excess of ability to pay is a bad thing.

But if we've got to the point where no one pays any attention to history anymore, even when it's in the Bible, then by golly, we are in a pickle. Because there's no way any government is ever going to stop repeating itself into financial insolvency, eventually.

Regards,

The Mogambo Guru,
for the Daily Reckoning
July 7, 2003

P.S. Well, I am sure that you are highly impressed with that little stupid diatribe, and I think you will agree with me that I am well-advised to change my tack here on my painful and fruitless quest for that elusive Nobel Prize in Economics, which those snotty Nobel Institute people will not even consider awarding me just because I am laughably incompetent and utterly undeserving. So, I have now decided to go for the Nobel Prize in Literature, instead! Assuming that there is such a thing, of course, and the million dollars, too. Let's not forget the cash prize. Or maybe a Pulitzer Prize! Or something that has a cold cash component, which is a nice alliteration there, if I do say so myself, which I just did, further cementing my claim on some kind of literary award.

Anyway, my ground-breaking and completely new approach to literature, which I now pronounce "lit-rah-CHA" in preparation for my new career as lecture circuit monkey, or whatever they call themselves, is combining, for the first time in the annals of Printed Language, what appears to be blasphemy of some kind with opinionated discourse about things economic, which is probably a record of some kind in sheer arrogance. And dammit, if you set a new record in something, then SOMEBODY ought to pay you some money! But I'll probably end up getting

screwed out of that money, too, just like I always do, because, as I prove over and over, week after week, everybody is out to get me. All the time. In everything. The bastards.

— Mogambo Sez: Somebody is going to have to take the whack to the head, and somebody is going to do the whacking. The only questions are who, when and how, and that is what consumes the attention of the world now.