

# The Government-Based Economy

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I really got a laugh out of the report from *Bloomberg* that the Democratic Party of Japan (known in the parlance as DP) won an historic victory in the recent elections, coming to power for the first time in decades with **“a pledge to support households battered by two decades of economic stagnation”**, whatever that is supposed to mean, but which is, upon even casual inspection, Standard Political Crapola (SPC).

The interesting part is that the new prime minister, a guy named Hatoyama, said “he’ll avoid more bond sales, so new spending will depend on his success in shrinking the bureaucracy and public works programs”, which is so laughably, ludicrously impossible, especially in such a corrupt, lopsided economy that it makes me, a stupid American who really doesn’t know what in the hell he is talking about, who lives thousands of miles away, in another country and hemisphere, turn up his nose at the sheer stink coming from that idea! Phew!

Of course, this valuable piece of Righteous Mogambo Scorn (RMS) is because it is obviously, obviously too, too late for that.

It is too late, just like it is too late here in the USA, and just like it is too late almost everywhere else, too, where years and years of increasing government spending and control means that **government IS the economy, and shrinking the size of government obviously shrinks the economy!** Hahahaha! Oops!

So, to the Japanese, I say, “Hahaha! Too late for that, you dumb Japanese chumps! Now you are going to pay a huge penalty for being such morons with your fiat money, and then especially involving the idiot Americans and their fiat money!”

Anyway, crude and rude xenophobic insults and senseless bigotry aside, an example of this is that, here in America, the birthplace of sheer stupidity in central banking (by which I mean the disastrous Federal Reserve), our economic performance as a result of the same kind of constant stimulus is that **non-farm payrolls have been falling and are now about back to where they were in 2000, meaning absolutely zero (non-farm payroll) growth for 9 years!**

A lot more people seeking the same number of jobs is pretty bad, especially when the number of people is still rising while the number of jobs is actually still falling! Yikes!

Meanwhile, however, the government has spent its time growing bigger and bigger, like a huge, cancerous, oozing lump that is growing on your neck and already people are being repulsed by both the sight and the smell of it, and now there are 6% more people on “government payrolls” than there were in 2001, which is only the tip of the iceberg.

And, as if to add insult to injury, they all make more money than you! Hahaha! **For the first time in history, the average pay of a government employee is higher than the average wage of non-government employees!** And when you add in their generous benefit packages, they make a lot more, and they are not going to take it kindly that you want them to suffer losses in pay and employment like us average morons out here.

So that is One More Big Reason (OMBR) why the government will keep borrowing more and more and spending more and more, which is why the Federal Reserve must create more and more money and credit, which expands the money supply more and more, which makes prices go up more and more, sometimes in bubbles, which must, and always do, bust back to their intrinsic value.

And such government and banking insanity as we are seeing today is the One Big Reason (OBR) – perhaps THE One Big Reason (TOBR) – why you must buy gold, silver and oil, apart from it being, you know, so easy that you squeal with girlish delight, “Whee! This investing stuff is easy!”