Stimulus or Sowing the Seeds of Depression

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The major reason for Barrack Obama's electoral success was that the majority of Americans had a negative opinion of George W. Bush's handling of the economy. Bush infamously stated that he had to suspend his free market principles in order to save the free market; this questions whether Bush or any of the other politicians understand the free market. However, Obama's efforts to resolve the economic crisis are oddly similar to Bush's policies and the majority of Americans increasingly express a negative opinion of his handling of the economy. Obama's policies, like Bush's policies, are the product of the specious Keynesian mindset that permeates modern economic theory and modern academia. The political class and prominent economists who supported the massive stimulus package, $1.2 trillion with interest, are now concerned that the swift reaction to the economic crisis will not give the economy the promised shot in the arm. Some complain and argue that the stimulus is not producing the desired effect because the bureaucratic red tape, which is designed to curb waste and insure that the resources are properly allocated, has hindered a swift distribution of the resources. Others, like Paul Krugman, the Nobel Prize winning economist, argue that the stimulus is not large enough. However, sound economic theory—I would encourage everyone to read Henry Hazlitt's excellent introduction to sound economic theory *Economics in One Lesson*—exposes these fallacious arguments and reveals that, regardless of how swiftly the resources are dispersed or how much oversight the bureaucrats promise, the massive amounts of money will be squandered and will have a negative impact on the economy. This is the nature of immoral profligate government spending and ineffective massive intervention into the free market.

Free market economists, particularly Austrian economists whom I would argue are the only free market economists, correctly condemn Obama's massive stimulus package as a colossal redistributive scheme. Politicians and bureaucrats are substituting their preferences for the preferences of productive American citizens; i.e., instead of American citizens deciding how to utilize their hard earned and scarce resources, they are benevolently confiscating resources and dictating how they will be allocated. Moreover, the omniscient politicians and bureaucrats claim that American citizens are behaving irrationally by saving their resources and, as such, the intervention is necessary. They arrogantly proclaim that government consumption, the panacea of intellectually bankrupt Keynesians, is the solution. The politicians and economists are appalled by the rational behavior of American citizens, who correctly reduce their consumption and increase their savings in a difficult economic period, and insolently substitute this apparent erroneous behavior with government consumption. Their mantra is that government consumption is the path to economic growth and prosperity; the behavior that brought on the crisis is hailed as the solution. After all, since government consumption makes up almost 24% of Gross Domestic Product (GDP), will over the course of a few years make up 30%, and inevitably exceed 40%, reason demands that squandering billions of dollars will necessarily produce a vital statistical increase in Gross Domestic Product (GDP).

However, the question influential pundits and reporters fail to ask is where is all of this money coming from?

The government can acquire the resources to pay for all of the shovel ready projects and other various pet projects and, more importantly, to line the pockets of their statist and corporatist allies at various non-profit organizations and corporations in three ways: taxation, borrowing, or monetary inflation. All of these measures have profound negative economic consequences, including the very mal-investment that produced the economic crisis. The obvious measure that our economically astute politicians can exploit to increase revenues to the government for expenditures on the various felonious stimulus projects is to increase taxes. However, this measure is the immoral equivalent of stealing from a particular group of citizens to enrich another group of citizens or what Fredric Bastiat called legal plunder. The increase in taxation reduces the standard of living of citizens because it leaves them with fewer resources from the product of their labor to provide for their livelihood. Moreover, taxation thwarts future prosperity because it encourages capital consumption by reducing the capacity of citizens to save and invest in capital; i.e., since savings and investments are derived from income and taxation reduces the amount of income that citizens have at their disposal, citizens have fewer resources to save and invest. These are the obvious negative economic consequences of taxation, but there are other more destructive consequences that are inconspicuous.

Taxation also distorts the incentive to invest because the rate of return on capital investments is reduced by the higher taxes on future income; e.g., an investment that was originally expected to net a 12% return after taxation which will now only net an 8% return with the new increases in taxation, may, if the 8% return is no longer viewed as an acceptable risk by the investor, lead the investor to choose to consume rather than invest. As savings and investments decrease, eventually capital is consumed and, as a result, labor is less productive. The decrease in productivity results in lower wages and less prosperity which exacerbates the recession and lays the foundation for a depression. This is precisely the strategy that Herbert Hoover’s administration, which is mistakenly portrayed by historians as advocates of free markets, embarked on at the dawn of, what would have been a recession without government intervention, the Great Depression; for an excellent analysis of Hoover’s policies and their consequences read Murray N. Rothbard’s *The Great Depression*. Politicians and their favored minions in the halls of economic academia coupled with their complicit media analysts mislead the American public by insisting that consumption is the path to prosperity; an increase in aggregate demand, the Keynesians cry, is the solution. However, real prosperity is the product of the ingenuity of entrepreneurs who utilize capital in profitable ventures that benefit the ordinary citizen. The capital that entrepreneurs utilize is, as the Austrian economist Eugen von Bohm Bawerk pointed out, derived from real savings. Thus, it is real savings that leads to capital investments and, ultimately, real economic prosperity.

However, an increase in taxation is political suicide. Although many politicians claim that they are only raising taxes on the wealthy, the sheer size of the stimulus package and deficits demand that taxes be raised across the board to pay for the profligate spending. Thus, politicians usually resort to the apparently painless measure of borrowing and boldly proclaim that debt, when used to invest in infrastructure, is an economically prudent action. This is a specious claim and, it can be argued, that borrowing is more destructive to long term economic growth than taxation. Taxation hinders economic growth by reducing the capacity of market participants to save and invest, but government borrowing depletes the nation's pool of savings. The pool of savings that is redirected toward the purchase of Treasury Bonds is the same pool of savings that would have been utilized by entrepreneurs in productive ventures; i.e., the pool of savings that would have been invested in productive capital accumulation is siphoned to unproductive government consumption. The increase in demand on the pool of savings by the government spurs an increase in the market rate of interest and, as such, makes it difficult for entrepreneurs to access capital for productive ventures. The inability of entrepreneurs to access capital for productive ventures diminishes productivity which impedes prosperity and, as such, obstructs long term economic growth.

The transparent negative consequences of taxation and borrowing leads politicians to a third and what they fallaciously perceive to be a politically benign action: monetary inflation. The government literally creates money out of thin air—there was a time when the government needed to at least print the money, but now it merely electronically credits accounts without a corresponding debit—and spends it on various politically advantageous projects or injects it into the banking system for the express purpose of monetizing the debt; the banks are politically coerced to monetize the debt by purchasing Treasury Bonds. Politicians prefer this measure because it does not have the malicious and noticeable effect of increasing the market rate of interest. However, monetary inflation produces a unique set of negative effects on the economy that Keynesian economists irreverently dismiss as inconsequential to long term economic growth; Keynesian's begrudgingly acknowledge some of the negative effects, but dismiss Ludwig von Mises' and Friedrich Hayek's account of the significant negative effect on business cycles. The most apparent negative effect is that the increase in the money supply leads market participants to hold on to more money than they desire at prevailing market prices. Market participants relieve their excess supply of money by purchasing consumer and producer goods. This increase in demand for consumer and producer goods does not correspond to a spontaneous increase in the supply of these goods; only the quantity of money being spent on these goods has increased. Thus, as the additional supply of money is spent, the increase in the demand for consumer and producer goods drives up overall market prices and reduces the purchasing power of money. The reduction in the purchasing power of money reduces the standard of living and, as such, monetary inflation is a social detriment.

The less obvious effect of monetary inflation is the profound negative consequences of artificial credit expansion. Artificial credit, which is credit not funded by actual savings, is the major cause of our current economic crisis. It causes mal-investment by inducing entrepreneurs to embark on unsustainable capital investments. Entrepreneurs perceive that unwise ventures, like investment in real estate or financial derivatives, are profitable because of the accessibility to artificially cheap credit; entrepreneurs assume that the artificially cheap credit corresponds to real savings, which is an indication that market participants prefer future goods over present goods, and, as such, engage in ventures that produce goods used in the higher order of the production process. This creates economic activity that appears to be sustainable and fruitful, but in reality creates an unsustainable economic boom or bubble that destroys wealth by consuming scarce resources in unprofitable economic activity. Politicians enjoy these economic bubbles because they present a picture of prosperity, but mal-investments are not magically transformed into economically sound activity because there is an increase in the supply of money. These mal-investments must sooner or later, despite the efforts of central banks and politicians, be liquidated. Thus, the boom ultimately resolves into a bust and the alleged prosperity ends with mass unemployment and capital consumption. Monetary inflation is the opiate of politicians who seek to disguise the systemic problems with the extravagances of government intervention and the manipulation of interest rates; for a basic analysis of the origins of the current financial crisis and consequences of monetary inflation read Thomas Wood's *Meltdown*.

Moreover, the manipulation of the money supply, which is accompanied by unsustainable economic booms and the destruction of wealth, also creates a vicious cycle that prevents any future foundation for sustainable long term economic growth by eliminating the incentive for market participants to save. As prices rise and interest rates decrease due to the increase in the supply of money, market participants realize that the value of their savings declines and, as such, they change their time preferences from preferring future goods to preferring present goods and begin to consume their savings before the purchasing power is diminished; i.e., market participants rationally purchase goods while their money still has value. However, consumption further depletes the capital stock that has already been diminished by all of the mal-investment. Thus, the pool of savings that would draw the economy out of the recession and lead to long term economic prosperity is consumed. The machinations of ignorant and selfish politicians who claim that government spending is the considerate solution to an economic downturn are engaging in immoral propaganda. Economic law inevitably catches up with their machinations and the old adage that there is no free lunch overwhelms market participants and, hopefully, this time, will lead to the broad dismissal of avaricious politicians from both parties. The very interventionist measures that politicians promote to resolve the supposed failures of the free market spawn additional negative consequences that lead politicians to promote further measures of government intervention into the free market that ultimately terminates in complete government control of the economy in the form of corporatism, fascism, or socialism; for an excellent account of the ultimate consequences of government intervention read Ludwig von Mises' *Middle of the Road Policy Leads to Socialism* and Friedrich Hayek's *Road to Serfdom*.

The $1.2 trillion dollar stimulus package, including interest, is the law and the bureaucrats have begun to distribute the money to the politically connected cronies in the same fashion as the Troubled Asset Relief Program (TARP); the Troubled Asset Relief Program bailed out the corporatists at Goldman Sachs who have for far too long controlled the Treasury Department. The question now is which toxin the self serving politicians will choose to inflict on the American citizens? The answer appears to be all three. Although Obama promised to cut taxes on most citizens and, like most of his predecessors and other politicians, does not want to be viewed as an infamous tax assessor, he is aggressively pursuing various schemes to increase taxes on Americans. A value added tax (VAT) and a sales tax are options under consideration by the administration and they are floating the idea of raising taxes on cigarettes and imposing taxes on sugar sweetened beverages; the beverages are actually sweetened with high fructose corn syrup because of previous government intervention. The current health care proposals supported by the administration include provisions that would increase revenues by imposing taxes on employer provided health care plans and reducing the limit on the deductibility of health care expenses; the political elite in all of their wisdom have hypocritically decided that excellent or gold plated health care insurance policies are a luxury while at the same time claiming that health care is a right. The administration has proposed raising a variety of corporate taxes, including the possibility of punitive taxes on commodity and option traders, by $200 billion and is considering changing the tax deductions, which distinguish between tangible and intangible expenditures, that will hinder future innovations in the oil and gas industry; this is just another attempt by environmentalists in the Obama administration to impose unproductive energy policies and further distort the market. All of these proposals impede capital accumulation and economic recovery.

The vast majority of the stimulus package will be financed by borrowing; this is accepted by everyone in Washington D.C. It is hard to imagine that after Bush's eight years of massive government expenditures which were accompanied by record deficits, he literally doubled the national debt from $5 trillion to $10 trillion dollars, Obama's proposed expenditures make Bush's extravagance appear parsimonious; this should not relieve Bush and his Republican cohorts from their complicity in the current economic crisis. The Treasury Department reported that this year's deficit will reach $1.8 trillion; the government started running a deficit in April of this year and the Treasury Department released a report on Friday that revealed the deficit for this year had already reached $1.4 trillion. However, our messianic leader assures us that everything is under control and calmly predicts that, predictions that given the uncertainty of the future are inane, next year's deficit will be a paltry $1.25 trillion. However, the flood of government debt, which increased by over $800 billion in the span of four months, and the corresponding sale of Treasury Bonds is beginning to yield visible negative effects. The selling of as much as $65 billion in Treasury Bonds in a single week has siphoned off resources that would have been put to use by entrepreneurs in productive ventures and, as a consequence, the rates on Treasury Bonds and interest rates, in general, are on the rise. The interest rates on 10 year Treasury Bonds have risen by 1.4% and the interest rates on 30 year fixed mortgages are approaching 6%. The higher market interest rates indicate that the pool of savings or savings available for loans is increasingly scarce and that the resources that are available are being forced into unproductive and unsustainable government boondoggles.

Ben Bernanke, the Chairman of the Federal Reserve who is praised as a great scholar of the Great Depression and is hailed by the Washington establishment as the savior of the economy, begrudgingly admits that current fiscal deficits and those predicted for the near future will have a significant drag on the economy. However, Bernanke profusely claims that inflation is not a concern and that the Federal Reserve has tools at its disposal to resolve any liquidity issues. The increase in liquidity, which Keynesians hail as the solution to our economic woes, through the expansion of the money supply has always been the favorite prescription of the political and economic elite for an ailing economy. The Federal Reserve has recklessly increased the monetary base from $96 billion in the first quarter of 2008 to $820 billion in the first quarter of 2009. This astounding expansion, an unimaginable annual rate of 750%, lays the foundation for the possibility of hyperinflation. The banks are swimming in excess reserves and, should they erroneously perceive that market conditions are normal and begin to loan their excess reserves at levels equivalent to the pre-meltdown levels, then the money supply will overwhelm the market. It should be noted that politicians, economists, and financial pundits are actually encouraging banks to lend at the pre-meltdown levels and imprudently complain that the failure of banks to lend is suppressing the economic recovery. Their apparent solution is to once again dismiss moral hazard and encourage the very behavior that created the problem.

As many analysts shriek about deflation, the Federal Reserve data on the money supply reveals that the stock of money is inflating and that the rate of growth in the money aggregates accelerated in the last quarter of 2008 and continues to accelerate this year. The consequences of this acceleration is that overall prices of goods will be higher than they otherwise would be without the increase in the money supply because the demand for goods will increase without a corresponding spontaneous increase in the supply of goods. It is often difficult to discern whether relative or overall prices are increasing, but the current data indicates that overall prices of goods are ascending; e.g., the national average of the price of gasoline rose by almost $1.00 in the first 7 months of this year and prices on a diversity of agricultural products have been rising steadily throughout the year; the monetary inflation, like the squandering of resources on ethanol subsidies, further distorts the agricultural industry. Prominent economists recently revealed that the non-seasonally adjusted consumer price index increased at an annual rate of 4.2% in the month of June. These developments are consistent with the symptoms of monetary inflation and indicate that, as rigorous economic theory dictates, the Federal Reserve's increase in the money supply is not producing the desired economic effect. The reckless policies of the Federal Reserve are stimulating higher prices and, as such, inflicting economic pain on those who are least able to afford it. The poor, downtrodden, and those who are on fixed incomes, like senior citizens, bear the brunt of the immoral monetary policies of the Federal Reserve; for an excellent account of the immorality of monetary inflation read Guido Hulsmann's *The Ethics of Money Production*.

The stock market has surged over 3,000 points to break the 10,000 mark this year and the insular commentators at the various media outlets proclaim that this is an indication that the economy is recovering; they argue that the economy is on a sound foundation and that the unsettling unemployment numbers, which depending on the various numbers released by the Bureau of Labor Statistics is actually at 16.5%, are a lagging indicator of an economic recovery. However, some of the greatest percentage and point gains in the stock market occurred during the Great Depression and the contention that the economy is on a sound foundation ignores that the economic conditions remain unchanged from those that led up to the financial meltdown; they ignore their own opinions about the unsustainable economic conditions that preceded the financial meltdown. The Bureau of Economic Analysis recently revealed that consumer spending as a percentage of Gross Domestic Product (GDP) rose to a post World War II record of 71% and that industrial output is contracting, the trade deficit is expanding, and the savings rate, which experienced an initial surge earlier this year, is plummeting. These factors confirm that the government stimulus package is aggravating the structural imbalances in the economy and that the rebound in the stock market and the positive Gross Domestic Product numbers are the product of borrowing rather than an increase in economic output. The imbalance between the level of borrowing and the level of domestic output, which is the very factor that created the financial crisis, is unsustainable and, inevitably, will contribute to a deeper and longer recession and possible depression. The foundation for a prosperous economy necessitates a significant change in the consumption behavior of market participants and the government; a suspension in frivolous consumption accompanied by an increase in savings, which innovative entrepreneurs use in capital investments to produce more goods and employ more people, is the prudent path to sustainable long term prosperity.

However, rather than allow for a painful correction and a return to sound economic principles, the Obama administration coupled with the politicians of both parties—the Republican cries are mere partisan banter and their solution is better management of the state and more supply side delusions of tax cuts paying for themselves—and the intelligentsia who advise them prefer to delude American citizens with the illusive prosperity of government deficits and monetary inflation. The dollar's unique position as the world's reserve currency and the willingness of foreign governments, like China and Japan, to preserve the dollar's prominence enable the immoral machinations of the political elite; the foreign governments, which have a favorable trade imbalance with the United States and an expanding pool of savings, purchase Treasury Bonds and, as such, grant the political elite the opportunity to continue their immoral destruction of wealth. It is ironic that the foreign governments reprimand the United States for a low savings rate and agree with Obama that a solution to the global economic imbalances is imperative; at the G-20 summit in Pittsburgh, the culprits of the global economic imbalances assured the Obama administration that they will continue to purchase Treasury Bonds. The policies of foreign governments cultivate moral hazard and, as such, prevent politicians from confronting difficult decisions because the consequences of government deficits and monetary inflation are delayed; higher prices and higher interest rates, the negative consequences of government deficits and monetary inflation, are temporarily postponed by the actions of foreign governments. At some point, foreign governments, despite the exhortations of influential exporters who benefit from the policies, will cease to purchase Treasury Bonds and, as a result, the dollar will collapse. The recent rise in the price of gold to over $1 thousand an ounce coupled with the dollars 14 month low against the Euro and new lows against the Yen are an indication that a collapse is expected and a corresponding era of austerity is plausible.

The Bureau of Labor Statistics U-1 data reveal that the unemployment rate in August for Oklahoma is at 6.8%, more than double the U-1 unemployment rate from January of 2008, and that the more significant U-6 rate, which measures the total unemployed, the marginally attached workers, and those employed part time who are seeking full time employment, is at 8.4%. Although Oklahoma eluded many of the negative consequences of the real estate bubble, the unemployment numbers indicate that the current economic crisis is a drag on the state's economy. Thus, Oklahoman's should ask how are the state politicians distributing the stimulus resources that have been allocated to Oklahoma and what will the effect be on the long term health of the state's economy. The politicians have decided to funnel the funds into 9 areas that they claim will generate economic growth in the state: Budget Stabilization, Business and Employment, Research and Education, Energy and Environment, Health and Human Services, Housing and Assistance, Public Safety, and Transportation. It is the usual list of political boondoggles and will, for the most part, produce short term relief and long term negative consequences for the state. Many of the projects will initially be funded by the stimulus resources, but the state will ultimately need to find the resources from the state budget to continue to maintain and complete these projects. Moreover, many of the programs will distort the market and lead to further mal-investments, which cannot be sustained long term, and create incentives that, under normal market conditions, are unprofitable. These are the very conditions that created the problem and that will exacerbate the economic conditions in Oklahoma. Although state politicians argue that they should accept the funds and use them for economic recovery, Oklahoman's should draw a moral line and demand an end to the redistributionist schemes and the generational theft. Oklahomans should ignore the state politicians who claim that other states will take the money and Oklahoma will be left holding the bag.

The various block grants in the Budget Stabilization program merely delay important decisions about state budgetary problems; e.g., Oklahoma will receive $472.8 million from the Education Block Grant and an additional $105.2 million from the Flexible Block Grant. These grants merely delay the tough and necessary decisions about Oklahoma's education system. The Business and Employment resources will be distributed to a variety of training programs for industries that are politically correct, technology infrastructure projects that are unprofitable, and for the extension of unemployment benefits; e.g., the Broadband Technology Opportunities Program will funnel resources to state, local, tribal governments, and private corporations to build technology infrastructure that the market cannot sustain, the Energy Training Partnership Grants will siphon scarce resources into programs to train and teach workers the skills required for emerging energy efficiency and energy renewable sectors, and the Pathway out of Poverty program is designed to alleviate poverty by training and placing individuals in the politically correct industries of energy efficiency and renewable energy. These programs assume that bureaucrats are capable of discerning the skills that entrepreneurs will demand in the future and provide further incentives for corporations to engage in activity that market participants are unwilling to support. Every area is rife with programs that distort the market place and promote politically correct industries that market participants are unwilling to support. It is the usual political hubris: government planning which attempts to bolster industries that are unprofitable in the market place.

Some of the more egregious examples of the hubris of state politicians from both parties are in the areas of Energy and Environment and Housing and Assistance. The area of

Energy and Environment includes $27.1 million for the Energy Efficiency and Conservation Block Grants and $3.4 million for the State Energy Efficient Appliance Rebate Program. The Energy Efficiency and Conservation Block Grants are intended to affect the illusory effects of climate change through the reduction of fossil fuel emissions and the State Energy Efficient Appliance Rebate Program is designed to encourage the replacement of inefficient appliances with energy efficient appliances through consumer rebates. The idea that omniscient politicians are capable of determining which technology will reduce the emission of fossil fuels, regardless of whether the science on climate change is settled, is absurd and forcing citizens to pay for the appliances of their neighbors is an immoral welfare scheme that benefits individuals and appliance corporations; this is a reiteration of the politically popular cash for clunkers program. The constitutionality of all of these programs is dubious and the negative economic consequences are profound. However, the important question is whether government planning in its various forms will produce economic prosperity. The very idea that the government is capable of planning the future of the energy industry is an anathema and is the very ideology that leads to government control of private property; it is the sort of corporatism that has dominated the political class for more than 50 years and laid the foundation for numerous totalitarian regimes in the twentieth century. The future of the energy industry, particularly a replacement for fossil fuels, will arise naturally on the free market as innovative entrepreneurs pursue ventures that are profitable.

The area of Housing and Assistance includes $25.7 million for the Home Investment Program and $12.2 million for the Homelessness Prevention Fund. The purpose of the Home Investment Program is to catalyze the stalling real estate market through gap financing grants and low income housing credits and the Homelessness Prevention Fund is intended to assume the moral obligation that citizens have to their fellow citizens and replace sincere charity with the benevolence of the state. The attempt to catalyze the real estate market is, as usual, an attempt to thwart economic law and create additional moral hazards. The liquidity in real estate needs to be resolved through the mechanism of the market; this resolution demands that real estate prices fall so that qualified individuals can afford to purchase real estate. The attempt to extend home ownership to individuals who are incapable of affording a home without subsidies is the same approach that contributed to the housing bubble; the idea that someone should rent is foreign to the political class. The efforts to prevent homelessness through various programs administered through the Homelessness Prevention Fund are accompanied by the usual arguments about morality. The defenders of these programs claim that those who are opposed to these supposedly charitable programs are insensitive to the needs of the downtrodden. However, the negative consequences of the rise of the welfare state in the United States created a variety of moral hazards including citizens abdicating their responsibility to their fellow citizens—citizens have been told that the state will resolve the problems of homelessness and poverty and, as such, citizens do not feel the need to provide for the downtrodden—and a variety of other negative social consequences, including the destruction of the family, that perpetuate poverty and despair. It is not charitable nor is it moral for the state to force a citizen to provide for his fellow citizens. It is legal plunder; for the best account of the immorality of legal plunder read Fredric Bastiat's brief treatise *The Law*.

Oklahomans and their fellow American citizens intuitively understand that there is something amiss with Obama's stimulus package and are beginning to realize that it will not usher in the next era of economic prosperity. Moreover, they are beginning to realize that the economic policies of the Bush administration contributed to the economic crisis by attempting to sustain the illusory prosperity of the technology bubble with a housing bubble; the manipulation of interest rates during the Bush years delayed and aggravated the inevitable correction. Government intervention, in all of its forms, distorts the market place; it directs scarce resources away from productive ventures to unproductive ventures. The measures, taxation, borrowing, and monetary inflation, which the government utilizes to pay for the extravagances of its various stimulus proposals and other constitutionally dubious programs, generate negative economic consequences. Economic prosperity is the product of innovative entrepreneurs who use capital, which is derived from real savings, to produce additional goods and services that market participants can purchase at lower prices. The government stimulus plans encourage capital consumption, which reduces the supply of goods available to consumers, and lays the foundation for an economic depression. The government's response to the current economic crisis is the identical policies that contributed to the Great Depression. This is not the appropriate foundation for long term economic prosperity, but the inappropriate path to economic ruin. It is time for Oklahomans and their fellow American citizens to seek out men who offer more than platitudes; i.e., erudite men who, like our Founding Fathers, have committed themselves to pursuing the contemplative life in their leisure. It is time to seek out liberally educated men who are concerned with the fundamental questions that underlie the Declaration of Independence and the Constitution. Men who will pledge their lives, fortunes, and sacred honor to defend the enduring truths of the American Revolution. It is time for philosopher statesmen who will question the very premise of the specious economic and political arguments of the streamlined politicians in both parties who, as the committed socialist George Orwell ominously admonished in *1984*, think in slogans and speak in bullet points.

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