## **Electoral Economics**



by Theodore Dalrymple

"Buy now, pay later!" The advertising slogan for a credit card put me in mind of the title of the first chapter of Lewis Carroll's satire *Sylvie and Bruno*: "Less bread, more taxes!"

The credit card offered interest-free credit for four months provided you spent enough, followed by interest of 21 percent a year. If you didn't spend enough, the interest started accumulating immediately.

Spend now, pay later! Could there be a better summary of government policy of many, if not most, Western governments? My understanding of economics is rudimentary, though if correct prediction of the future is a criterion of a sophisticated understanding, most economists' understanding is rudimentary too. Be that as it may, high rates of inflation are one way of expropriating the holders of government debt, and even if the rates come down, so long as they remain below the rate of inflation, the same principle applies, though more

slowly.

Why must governments spend more that they "earn"—which is to say, tax? In European countries it is because of their expenditure on social welfare, pensions, health, and education; in Britain, for example, these account for about 70 percent of government expenditure as a whole. This means that a large proportion of the population is, directly or indirectly, dependent on government expenditure for at least part of its income, if not the whole of it, and for all of its health and educational costs.

Continual deficits mean accumulating total debt, at least in nominal terms; inflation has its own devastating effects on the mentality and habits of the population. It turns providence into its opposite, for example, and makes speculation the chief way to wealth. But, even supposing a government to be honestly disposed in the matter of balancing its budget, it finds itself on the horns of an insoluble dilemma: It must either reduce its expenditure or increase taxes. And in modern democracies, government is not about doing the right thing by the country but about winning the next election. We live, in effect, in a permanent election campaign.

No increase in taxes is popular, which is why the chapter heading of Lewis Carroll's book is so startling. But when a large enough proportion of the population depends on the government, or thinks that it does, a reduction of government expenditure is even more unpopular. And, notwithstanding abundant evidence of government waste that in theory could be reduced (all attempts to reduce waste in government increase it), reduction in expenditure will cause real hardship to real people. In a sentimental age, moreover, one hard-luck story counts more than looming economic disaster, at least electorally, and retreat in the face of a single tragedy is now to be expected. Politicians think in elections, not in countries' futures.

So, a government like the British prefers to increase taxes than reduce expenditure. (I am not economist enough to know what effect such reduction would have on overall demand, though I suspect that in the long run, the kind of run that is of no interest to politicians in search of office, it will be positive, since so much governmental interference in human affairs is to promote activity rather than work, which it tends to prevent.) And the impoverishment of all is preferable to the hardship of some, at least electorally.

Moreover, there is a dislike of prosperity itself, for more than one reason. There is a strain of neo-pagan thought, marginal for the moment but becoming more central, that regards Mankind as the blight of the world, the ruination of the biosphere. The extinction of the species, then, would be much to the advantage of the sea anemones, the centipedes, the vultures, and so forth. But while I am no enemy to biodiversity, indeed I am in favor of it, it is important to remember that nothing can be of value except to a valuing mind; and, as far as we know, the only valuing minds on the earth's surface are those of Mankind. To want it to disappear in the name of something valuable is therefore a contradiction in terms.

More important are those who not so much hate wealth, as the wealthy. By the wealthy, of course, they always mean those with more money than themselves. It is a lamentable human trait, not universal but common, to wish to bring down those more fortunate or more talented than oneself. If bringing them down means impoverishment of oneself, then so be it. To have caused distress to the fortunate makes such impoverishment worthwhile.

There is yet more. In modern societies, it is impossible for everyone to be equally impoverished. Impoverishing others is a source not only of gratification, but of wealth itself, for someone has to do it, and in directing the process can make himself rich, at least relatively and often absolutely. The

promotion of equality is a wonderful career, a career without end. It would be invidious to mention individuals who have pursued such a career with such a result, but I am sure that readers could supply some names for themselves.

Is there any solution to the problem that I have raised? It depends on what you mean by a solution. Things that are conceptually simple are very difficult or impossible to implement. One possible solution, in theory, would be the deprofessionalization of politics. So long as politics is a career, beginning in youth and ending in dotage, life in democracies will be a permanent election with all the demagoguery to match.

Dictatorship, even of the wise, would be worse, however, even far worse—for under the prolonged influence of the exercise of power even the wisest man becomes foolish, not to say vicious. A compromise, then, would be to forbid the search for political office to anyone under the age of 50 (say), or anyone who has not spent at least 25 years in an economic activity completely divorced from politics. Political positions would be unpaid, except for minor expenses such as bus fares.

Pigs, of course, will develop wings sooner than this. And, after all, life for most of us is not yet hell, and heaven is not an alternative. In addition to the five senses, we need a sense of proportion, not least about our own dissatisfactions.

First published in *Taki's magazine*.