

Re: Lucas: Shame on the redistributionists

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From: Grinch (*oldnasty_at_mindspring.com*)

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Date: Thu, 17 Jun 2004 19:36:59 GMT

On Wed, 16 Jun 2004 23:47:57 GMT, Les Cargill
<lcargill@worldnet.att.net> wrote:

>royls@telus.net wrote:

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>> On Wed, 16 Jun 2004 01:13:12 GMT, Les Cargill

>> <lcargill@worldnet.att.net> wrote:

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>> *It is often astonishing how cheaply massively valuable political*

>> *favours can be bought. AFAICT, the normal return on a political*

>> *donation in excess of \$1000 is about 100,000%.*

If I donate \$2,000 to a campaign I'll get a million dollars back?

That sure as heck explains what George Soros is doing!

Hell, I'll donate to **both** parties!!

But geeze, should one dare ask for a source for this "normal" figure?

>Yeah, I've heard the figure, and it sounds ridiculous. It

>is as if a roadbuilding contractor contriburted, then the

>contributions were attributed for his next four years'

>top line.

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>Of course this happens. I just don't think it's the

>**dominant** mode. Ironically, every time we try to

>crack down on it, this gets worse.

Perhaps one should consider the rate of return to the politicians in such dealings.

After all, they are the ones with the **power** in the relationship -- the power of the state -- and I don't know of many greedy capitalists who like to voluntarily fork over money to others, or of many **honest**

politicians who would dispense favors for money.

While if the politicians are dishonest, what's to stop them from using the power of the state to line their pockets with legal graft -- it'll be legal, of course, because *they* set the legal rules.

Rent seeking, anyone?

(Does anyone else see the similarity between having politicians write campaign finance reform laws and foxes write the reformed rules for the henhouse?)

So perhaps when money passes from private parties to politicians in significant amount we should always be open to the possibility that it is extortion rather than bribery?

"Politicians don't have to steal to make a living when they can become millionaires through honest graft."

-- George Washington Plunkitt of Tammany Hall

My favorite example of the whole thing is the famous "double corner" on the stock of the Harlem Railroad by Vanderbilt when the members of the NYC and NYS state legislatures *both* extorted massive payments out of him to get a charter to build the railroad, then shorted his stock, then revoked the charters. It was so overt the state legislators were actually bragging in the Albany newspapers about how rich they were going to get off the scam.

What they didn't realize was that while they were bragging Vanderbilt was quietly buying up all the stock, until there was none left on the market. So when the day came for they legislators to cover their shorts, they had to come to *him* to get the shares and pay *any* price he set for them ... Ouch!

Now there is no reason to believe the DNA of politicians has changed since then. There are two lesson here. Then and still today, politicians are self-interested and use the power of the state to line their pockets ... and the higher IQ types stay in the private sector.

"I don't mind having to buy a legislature, but gentlemen once bought stay bought."

-- Vanderbilt to the legislators asking his price on the shares.

Of course in the US stories like this and characters like Plunkitt are kind of amusing looking back at them over 100+ years because we've had mostly a happy ending -- but when one looks at all the people in all the third-world nations that are still in grinding poverty today in no small part because they are still ruled by such mass scale extortionists, it's not so amusing.

Politicians are a necessary evil.

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