



Stimulus II: A Modest Proposal

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*For Preventing the Unemployed People in the United States
From Being a Burden to Their Children or the Country,
And for Making Them Beneficial to the Public*

It is melancholy indeed to observe the high level of unemployment in this great country. Men and women who once worked productively assembling gas-guzzling SUVs, building cookie-cutter McMansions in exurbia, or shuffling redundant loan documents in our finest mortgage and banking institutions cannot find work. Our worthy public servants in the House of Representatives and in the Senate, not to mention in the White House itself, have worked tirelessly to solve this vexing economic problem. They have courageously ignored their own ignorance in matters of commerce and finance (as few, if any, have stooped to managing a business or making a payroll), and they have unleashed a veritable cornucopia of well-intended solutions on a trusting public.

Time does not permit me to list nor does the typical mind have the capacity to comprehend the clever, complex, and fiscally ingenious schemes our political class has lavished on America's chief economic problem. But it suffices to say that all these many efforts purported to reduce the embarrassing number of unemployed citizens and, in a happy coincidence, to resurrect at the same time the fortunes of the financial institutions that extended credit to the self-same citizens for second homes, plasma TVs, Caribbean vacations, and a lifestyle beyond their means.

Funding for all these government schemes involve either Chinese lenders or that ancient, illustrious Chinese invention, paper money, printed with the cheerful acquiescence of the Federal Reserve. We only have to note that all their laudable efforts to date have failed utterly to reduce the army of the unemployed by even a single person. Sadly, some 7.6 million unfortunates have joined their ranks since the beginning of the recession.

I shall now therefore humbly propose my own thoughts, which I hope will not be liable to the least objection:



It is an incontrovertible fact that vast areas of America's High Plains are good for little except cattle grazing or, perhaps, subsidized windmills. I propose that Nowhere, Nebraska (which I am told is located convenient to a well-maintained state highway somewhere in the far western region of that great state) be the locus of my full employment enterprise.

Let me state that my sole object is to create jobs. As the eminent Lord Keynes revealed to us in his *General Theory*, the government's mission must be to get purchasing power back into the hands of the unemployed by whatever means necessary. It would be a simple matter to merely mail every unemployed citizen a Federal check for \$250, or \$500, or perhaps even \$10,000 each month. The stimulus to spending would be swift and sure. I, however, would not insult the unemployed with such transparent charity. No, indeed, they would certainly prefer to work for their sustenance just as their more fortunate neighbors who hold civil service positions do. After all, in my enterprise all the workers will be in the employ of the government.

Let us unveil the crux of the enterprise. The Federal Government should announce its intention to hire a labor force to dig a hole in the ground, one mile square (depth to be determined by the duration of the recession) in Nowhere, Nebraska. One square mile of Nebraska wasteland is 27,878,400 square feet. If each employee were responsible for 100 square feet, 278,784 workers would be required per work shift. The government would provide the shovels since, needless to say, no backhoes, pneumatic drills, or other labor-saving tools would be permitted, for obvious reasons.

Since the work would be manual labor and government work, it would be unreasonable to set expectations above those of the average Federal government employee. Therefore I propose that each work shift comprise two hours of actual work, with time set aside, of course, for coffee breaks and calls of nature. In a Keynesian spirit, the workers will be paid on the basis of a standard eight hour workday.

The genius of my plan, dare I say, is obvious. With actual work shifts of just two hours my enterprise, over a twenty-four hour period, could provide good paying jobs for 12 x 278,784 hardworking citizens. That would remove 3,345,408 jobless from the official unemployment rolls! If more still want and lack jobs, it would be a simple matter (since Nebraska is truly vast) to expand the number of mile-square holes to accommodate them. There is nothing except fiscal timidity preventing this country from bringing the unemployment rate to ZERO.

The ancillary benefits would be enormous as well. All the workers would require food, shelter, transportation, and entertainment. Carpenters, plumbers, bricklayers, preachers, cooks, taxi drivers, waiters, mimes, and a host of other occupations would see demand for their services surge. One could easily imagine a great new metropolis rising in the Western wastes to accommodate my plan.



Now naysayers might quibble that digging a hole on the outskirts of Nowhere, Nebraska would be a colossal waste of resources. They might argue it is no better than merely printing money. But we will end up with a magnificent hole (maybe more) and workers with great pride of achievement! An astronomer friend of mine believes the hole would even be visible from outer space. Furthermore, do they forget Keynes' profound insight that Gross National Product (GNP) equals Consumption (C) + Investment (I) + Government (G)? Any and ALL government spending serves to increase "G" and therefore must be beneficial to the national welfare. Let us not bother with theoretical objections from obstructionists when there are jobs to be created.

I profess, with deepest sincerity, that I do not personally stand to gain a penny from this necessary work. I have no other motive than to promote the public good of my country, by reducing the number of unemployed, providing for their creditors, relieving the poor, and giving some pleasure to the political class. I have no shovels, nor any desire to acquire any for resale to the government. Nor do I own, or wish to own, or even wish to visit, any lands in the vicinity of Nowhere, Nebraska.

** This was received from a **very** old client of the Macon, GA-based advisory firm, Patton Albertson & Miller, and the CIO thought it was worth sharing with other investment managers.*

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